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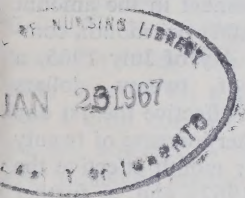


Canada Labour dept

No. 1, 1966

140

**Reports of Boards of Conciliation  
established under the Industrial  
Relations and Disputes Investigation Act  
together with  
Reasons for Judgment of the  
Canada Labour Relations Board**



**Conciliation Board Reports in disputes between**

Canadian Pacific Air Lines Limited, Vancouver, and International Brotherhood of Teamsters

Atomic Energy of Canada Limited and International Association of Machinists

Various Stevedoring Companies and Brotherhood of Railway and Steamship Clerks

Loiselle Transport Limited, Dawson Creek, and International Brotherhood of Teamsters

**Reasons for Judgment in applications affecting**

International Brotherhood of Teamsters and St-Hyacinthe Express Inc.

Canadian Marine Officers' Union and Porter Shipping Limited

Canadian Marine Officers' Union and Levis Ferry Limited

Canadian Television Union and Canadian Broadcasting Corporation





# CONCILIATION BOARD REPORTS

## Report of Board of Conciliation and Investigation established to deal with dispute between

Canadian Pacific Air Lines, Limited, Vancouver

and

International Brotherhood of Teamsters

### FINDINGS

The Conciliation Board finds as follows:

(a) That there is no ground for equating the duties and work of commissary attendants employed by Canadian Pacific Air Lines, Limited, to those of truck drivers.

(b) That both parties agreed that the question of wages was the main issue of the dispute placed before the Conciliation Board and that upon agreement to a wage

settlement all other matters in dispute between the parties could easily be resolved by the parties themselves. No argument was put forth by the parties on any of the other issues in dispute.

### RECOMMENDATIONS

The Conciliation Board recommends as follows:

(a) That an agreement be entered into between the parties for a four (4) year period effective the 1st day of July 1965.

(b) That an increase in monthly wages be granted to the commissary attendants covered by the agreement in the amount of forty dollars (\$40.00) per month, commencing on the 1st day of July 1965, a further increase of twenty dollars (\$20.00) per month effective the 1st day of July 1966, a further increase of twenty dollars (\$20.00) per month effective the 1st day of July 1967, and a further increase of twenty dollars (\$20.00) per month effective the 1st day of July 1968.

DATED at Vancouver, B.C., this 8th day of November 1965.

### AGREED TO:

(Sgd.) *Ernest A. Alexander*,  
Chairman.

(Sgd.) *John G. Alley*,  
Member.

### DISSENTING TO RECOMMENDATIONS:

(Sgd.) *Edward M. Lawson*,  
Member.

The Board of Conciliation and Investigation established to deal with a dispute between Local 31 of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America (commissary attendants) and Canadian Pacific Air Lines, Limited, Vancouver International Airport, was under the chairmanship of E. A. Alexander, Q.C., of Vancouver. He was appointed by the Minister of Labour on the joint recommendation of the other two members of the Board, J. G. Alley and E. M. Lawson, both of Vancouver, nominees of the company and union, respectively.

## Report of Board of Conciliation and Investigation established to deal with dispute between

Atomic Energy of Canada Limited

and

International Association of Machinists

The Board of Conciliation consisting of G. W. Brown, company nominee; E. A. Smith, union nominee; and W. H. Dickie, Chairman, met with the parties at Winnipeg on October 18 and 19, 1965.

Appearing for the company were: Mr. J. C. Adams, Q.C., Counsel; Mr. Roger Smith, Superintendent of Administration; Mr. G. P. Maxwell, Head Office Admini-

stration; Mr. Donald Watson, Vice President Administration; Mr. D. R. Tegart, Superintendent of Engineering; and Mr. H. V. Smith, Superintendent of Maintenance & Design.

Appearing for the union were: Mr. R. L. Biggar, Chairman, Lodge 608 IAM; Mr. J. S. Carter, Special Representative; Mr. Richard G. Gueau, President Lodge 608; and Mr. Jack Kelly, Secretary.

The Board of Conciliation and Investigation established to deal with a dispute between the International Association of Machinists and Atomic Energy of Canada Limited (Whiteshell Nuclear Research Establishment), Pinawa, Man., was under the chairmanship of W. H. Dickie of Toronto. He was appointed by the Minister of Labour on the joint recommendation of the other two members of the Board, G. W. Brown of Ottawa and E. A. Smith of Winnipeg, nominees of the company and union, respectively.

The report of the Chairman and Mr. Smith constitutes the report of the Board. A minority report was made by Mr. Brown.

A

LABOUR GAZETTE

Supplement



Atomic Energy of Canada Ltd. is engaged in research and development of atomic energy with operating groups at Chalk River, Ottawa and Toronto in Ontario; and at Pinawa, Manitoba. Total employment is currently about 3800, of whom 2500 are at the Chalk River operation. Whiteshell Nuclear Research Establishment was set up in 1965 at Pinawa, Man. The company currently employs at this location a total of 390 persons, including 118 hourly paid employees. Fifty-five of these are in the International Association of Machinists involved in this dispute.

The parties commenced negotiations toward a first collective agreement on March 9, 1965. Tentative agreement had been reached on a great many matters and a draft contract was prepared. The parties, however, were unable to resolve the monetary matters, as well as union security, leave of absence and seniority.

The union is seeking a one-year term with a single rate for journeyman tradesmen of \$3.25 an hour, with retroactivity to April 1, 1965. They are also seeking improvement in medical, hospital indemnity plans, group insurance, vacation with pay, overtime, call-outs and transportation allowance.

A conciliation officer was appointed and the parties met with him on several occasions, the first meeting taking place on June 3. These meetings were unsuccessful.

In the meantime, negotiations with ten Chalk River Allied Council unions (including IAM) along with five other unions at Chalk River had been completed. Following these settlements the company again met with the union and conciliation officer and made a proposal comparable to the settlements already reached. This proposal was not accepted and a Board of Conciliation was established.

The Board reviewed with the parties together and separately each of the issues in dispute. Every effort was made to mediate the dispute but unfortunately without success.

Since our last meeting with the parties the Board has again examined the submissions and after careful consideration has arrived at the conclusion that if settlement is to be achieved it must be in the area of term and of wages.

We therefore recommend that the company proposals be accepted with the following changes:

1. The collective agreement to expire November 30, 1967.
2. Wages—General increases effective:
  - April 1, 1965 10¢ an hour
  - Dec. 1, 1965 10¢ an hour
  - May 1, 1966 7¢ an hour
  - Dec. 1, 1966 7¢ an hour
  - May 1, 1967 6¢ an hour
3. All matters agreed to by the parties prior to conciliation board hearing.
4. Policy with respect to the unpaid leave of absence be clarified.

The amount to be paid from April 1, 1965 is applicable to those on the payroll on the date of signing and is to be paid straight hour worked.

ALL THIS respectfully submitted this 16th day of November, 1965 at Toronto, Ontario.

(sgd.) W. H. Dickie,  
Chairman.  
(sgd.) E. A. Smith,  
Member.

#### MINORITY REPORT

I would have fully accepted the report signed by my colleagues, W. H. Dickie, Esq., Chairman, and E. A. Smith, Esq., and its recommendations provided that the recommendation (2), "Wages," had been limited to those in Groups 1-4 and that general increases had applied to other groups as follows:

	April 1, 1965	Dec. 1, 1965	May 1, 1966	Dec. 1, 1966	May 1, 1967
Groups 5-8	8¢ an hour	8¢ an hour	6¢ an hour	5¢ an hour	5¢ an hour
Groups 9-10	7¢ " "	7¢ " "	5¢ " "	5¢ " "	4¢ " "

The job classification system and the job classifications at the Whiteshell Nuclear Research Establishment are the same as those at the Chalk River Nuclear Laboratories. At a Board of Con-

ciliation hearing on 17-19 August, 1965, chaired by J. A. Hanrahan, Esq., the following wage settlement was reached between the company and the ten Chalk River Allied Council unions:

	April 1, 1965	Dec. 1, 1965	Aug. 1, 1966	Total
Groups 1-4	10¢ an hour	10¢ an hour	10¢ an hour	30¢
Groups 5-8	8¢ " "	8¢ " "	8¢ " "	24¢
Groups 9-12	7¢ " "	7¢ " "	7¢ " "	21¢
Groups 13-15	5¢ " "	5¢ " "	5¢ " "	15¢
Groups 16 and below	5¢ " "	4¢ " "	4¢ " "	13¢

The pattern clearly established was a graduated scale of increases with the highly skilled trades (in Groups 1-4) receiving substantially more than those in the lower wage groups. Those in the Labourer classification (Group 17) received less than half the total wage increase of those in the highest groups.

The settlement recommended by my colleagues between the company and the IAM at Whiteshell is to cover a 32-month period rather than a 24-month period as in the case of Chalk River. A total wage increase of one-third above the Chalk River settlement is, therefore, appropriate. However, this must apply proportionally to all the various wage groups that have been established. I am unaware of any circumstances that would justify a deviation from this pattern as recommended, particularly as it

would reverse a wage differential from that which can be supported by wage rates prevailing in the geographical areas of the two company locations.

I note that of the 55 employees covered by the IAM bargaining unit at Whiteshell, 46 would receive the increases of Groups 1-4 that my colleagues have recommended, and which I support. There are only 9 in lower wage groups in this bargaining unit at this time, while there must be a large number of employees of the company in Groups 5 and below outside this bargaining unit.

ALL OF WHICH is respectfully submitted this 26th day of November 1965 at Ottawa, Ontario.

(Sgd.) G. W. Brown,  
Member.



# Report of Board of Conciliation and Investigation established to deal with dispute between Various Stevedoring Companies and Brotherhood of Railway and Steamship Clerks

The Conciliation Board comprising Hon. Joseph Bilodeau, appointed Chairman of the Board on the unanimous recommendation of the other two members, Jean Girouard, nominee of the companies, and, Paul Henri Paquet, nominee of the union side, held several inquiry and deliberation meetings in Quebec to hear the representatives of both parties regarding various points still disputed in their negotiations for the renewal of the collective labour agreement that expired on April 15, 1965. The Board submit, in this report, the conclusions and recommendations they consider fair and likely to bring about a settlement of the dispute.

During the inquiry the parties reached agreement on certain matters in dispute originally submitted to the attention of the Board and consequently only the following issues which the parties agreed to submit to the final attention of the board are dealt with here.

The members of the Board would, of course, have preferred to put forward suggestions that the parties could accept but attempts at conciliation proved unsuccessful and in consequence we are submitting our findings as follows:

## 1. UNION PREFERENCE

The union had requested that section 1(d) of the expired agreement read henceforth as follows:

"Should the union be unable to supply union men at the commencement of a period of work, non-union men may be hired and retained until the next call. However, union members are allowed one (1) hour from the time work commences in which to claim such work."

The Board recommends that the said section be amended to read as follows:

"Should the union be unable to supply union members at the commencement of a period of work, non-union men may be hired and retained for such work until the next call. However, union members, at the end of the first hour of that period, may demand that they continue the work undertaken and the non-union men shall then be paid for the work done. It is understood that any employee who may have commenced a period of work shall finish it himself or shall find someone to replace him."

## 2. DURATION OF AGREEMENT

The Board recommends the following text for section 20 of the expired agreement, with regard to the duration of subsequent agreements:

"This agreement, unless otherwise stipulated, shall become effective the day it is signed and shall terminate two (2) years later (objected to by the union representative: April 15, 1967), it shall then be renewed from year to year unless one of the parties notifies the other in writing of its intention to undertake negotiations for its renewal. Such notice must be given and received within sixty (60) days prior to the date of expiry of the present agreement and its renewal."

## 3. WAGES

(a) *Basic rate*—The Board recommends that the present basic rate of \$1.88 an hour for regular working hours be:

—(according to the Chairman) increased to \$2.26 retroactive to April 16, 1965; increased to \$2.36 one year after the date of signing of the agreement;

—(according to the union nominee) increased to \$2.26 retroactive to April 16, 1965; increased to \$2.36 on April 16, 1966;

—(according to the nominee of the companies) \$2.16 retroactive to April 16, 1965; increased to \$2.26 one year after the date of signing of the agreement.

It is understood that the above basic rates are separate from the hourly benefit of \$0.15 paid for pension purposes as agreed earlier between the parties.

(b) *Overtime at meal time*—The former agreements provided for payment for overtime at meal time at the

rate of one and a half (1½) times the basic rate for work done during normal hours. The union wanted the rate for overtime to be twice the rate for normal time. As neither party submitted any argument supporting or opposing a change of this kind, the Board does not consider it necessary to express an opinion on the matter and consequently recommends maintaining the status quo.

(c) *Saturday overtime*—The union requested that any work done on Saturdays be paid for at the rate of one and a half (1½) times the basic rate for work done during normal hours. The Board suggests that as of the date of signature of the agreement any work done after 1.00 p.m. on Saturdays, be paid at the rate of one and a half (1½) times the basic rate provided for work done during normal hours.

(d) *Schedules*—The Board recommends that the parties draw up a new rate schedule in the form of section 22 of the expired agreement but taking the above-mentioned suggestions into account.

## 4. HOLIDAYS

Section 23 of the expired agreement provided for nine (9) holidays and the union requested that three (3) others be added, namely, Boxing Day, the day after New Year's, and Epiphany.

The Board leaves it to the parties to determine which of these days and recommends that a tenth holiday be added as of the date of signing of the agreement and an eleventh and twelfth holiday one year later.

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The Board of Conciliation and Investigation established to deal with a dispute between Lodge 1257 of the Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, and Maritime Terminals Inc., Quebec Terminals Limited, Eastern Canada Stevedoring Co. Ltd., Clarke Steamship Company Limited, and Albert G. Baker Limited, Quebec City, Que., was under the chairmanship of His Honour Judge Joseph Bilodeau of Quebec City. He was appointed by the Minister on the joint recommendation of the other two members of the Board, Jean Girouard of Three Rivers and Paul-Henri Paquet of Montreal, nominees of the companies and union, respectively.

The report was signed by all three members but contains majority and minority recommendations.

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## 5. MINIMUM PAYMENT

With regard to minimum payments, the union requested that section 25 of the expired agreement be amended to read as follows:

"Men who are called to work but are not put to work by the employer immediately after being called shall receive a minimum of four (4) hours of wages for work accomplished anywhere in the port."

The Board, the union nominee dissenting, recommends that any employee called to work be entitled, as of the date of signing of the agreement, to a minimum payment equal to two (2) hours of work for any call. The union representative suggested that as of April 16, 1967, there should be added a minimum payment equal to three (3) hours of work for the first call, on a given day, and to two (2) hours for any other call the same day.

## 6. HANDLING CERTAIN GOODS

As the parties stated before the Board, they recommend that the following text replace sub-section "G" of section 28 of the expired agreement:

"For handling goods from cold storage cars, salted hides, nitrate, bauxite, sulphur, ore, potash, china, superphosphate, soda in bags, linosol, smoke or coal black in sacks, packages or in bulk, cement in bags, a premium of thirty five (35) cents an hour shall be paid in addition to the regular rate for any time the men shall have spent on such work. The companies shall supply employees with gloves and aprons for such work."

## 7. LANGUAGES

As previously agreed between the parties before the Board both the French and English versions of agreements to be concluded shall be official, but in

case of disagreement regarding the interpretation, the French version shall prevail.

Such are the recommendations of the Board of Conciliation.

Before signing our report we would like to mention the excellent atmosphere that prevailed at the discussions between the parties before the Board and to commend the representatives of the parties for the competence and courtesy with which they presented their respective cases before the Commission.

Respectfully submitted,

(sgd.) *Joseph Bilodeau*,  
Chairman.

(sgd.) *Jean Girouard*,  
Member.

(sgd.) *Paul Henri Paquet*,  
Member.

Quebec, this 27th day of November 1965.

# Report of Board of Conciliation and Investigation established to deal with dispute between Loiselle Transport Limited, Dawson Creek and International Brotherhood of Teamsters

The Board of Conciliation and Investigation in this matter met in Vancouver on October 19 to hear the representations of the parties.

The union was represented by S. B. Whitelock, President, Local 31, and the employer was represented by R. J. Mofat, Manager, Industrial Relations.

The dispute affects about 70 warehouse and terminal employees and over-the-road drivers, most of whom are based at Dawson Creek, with smaller groups at Edmonton and Whitehorse. The company operates an interprovincial truck service centered at Dawson Creek and running primarily to Edmonton and Whitehorse. The parallel and principal competitive trucking operation in the area is that of Canadian Freightways Limited.

The agreements with Locals 31 and 362 expired on December 31, 1964. Lengthy negotiations and joint conciliation efforts resulted in the conclusion of a new Master Freight Agreement with Canadian Freightways Limited, thus

providing an area pattern. Similar efforts were unsuccessful in the case of Loiselle Transport.

The parties to this Board agreed that there were only two items in issue and that agreement had been reached on all other matters.

The items in dispute were:

(1) *Work Time Provisions.* The company had requested a change in the current conditions.

(2) *Rates of Pay.*

Efforts by the board to bring about agreement between the parties were unsuccessful and the Board recommends:

1. That there be no change in the work time provisions as they affect a team of sleeper cab drivers.

2. That the wage rates contained in the new master freight agreement should apply also to the operations of Loiselle Transport Ltd.

Dated at Vancouver this 15th day of November, 1965.

(sgd.) *G. R. Currie*,  
Chairman.

(sgd.) *C. G. Robson*,  
Member.

(sgd.) *J. Whiteford*,  
Member.

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The Board of Conciliation and Investigation established to deal with a dispute between Locals 31 and 362 of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America and Loiselle Transport Limited, Dawson Creek, B.C., was under the chairmanship of G. R. Currie of Vancouver. He was appointed by the Minister in the absence of a joint recommendation from the other two members of the Board, C. G. Robson and J. Whiteford, both of Vancouver, nominees of the company and union, respectively.

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# CANADA LABOUR RELATIONS BOARD

## Reasons for Judgment in Application for Certification Affecting

Local 106 of the International Brotherhood of Teamsters  
and

St-Hyacinthe Express Inc., St-Hyacinthe, Que.

Applicant

Respondent

The Applicant applies to be certified as bargaining agent for a unit of employees of the Respondent comprised of drivers, driver-helpers, helpers and caretaker-helper-driver. These employees are employed in the road transportation operations of the Respondent.

The Respondent is a private company incorporated under the laws of the Province of Quebec with head office at the City of St-Hyacinthe, Que., and operates as a carrier of goods by road transport within the province of Quebec and to a minor extent as a contract carrier of goods from points in the province of Quebec to points within the province of Ontario and to points within the United States.

The Applicant submits that the employees covered by the application are employed upon or in connection with the operation of an undertaking or business which is within the exclusive jurisdiction of the Parliament of Canada in that it is an undertaking or business connecting the province of Quebec with the province of Ontario and extending beyond the limits of the province of Quebec into Ontario and into the United States. In support of this submission, the Applicant refers to the provisions of Section 53 of the Industrial Relations and Disputes Investigation Act, which reads in part as follows:

Part I applies in respect of employees who are employed upon or in connection with the operation of any work, undertaking or business that is within the legislative authority of the Parliament of Canada including, but not so as to restrict the generality of the foregoing, . . .

(b) railways, canals, telegraphs and other works and undertakings connecting a province with any other or others of the provinces, or extending beyond the limits of a province;

and in respect of the employers of all such employees in their relations with such employees and in respect of trade unions and employers' organizations composed of such employees or employers.

Counsel for the Applicant also cites a decision of McLennan J., of the Ontario High Court in the case of *Re Tank Truck Transport Ltd.*, (1960) 25 DLR (2nd Ed.) p. 161, affirmed by Ontario Court of Appeal (1963) 36 DLR. 636, and the decision of Haines J. of the Ontario High Court in the case of *R v. Cooksville Magistrate's Court, ex parte Liquid Cargo Lines Ltd.*, (1965) 46 DLR 700 in support of the Applicant's submission on the issue of jurisdiction.

The Respondent contends that its operation is not a connecting or extending operation to which the provisions of the Industrial Relations and Disputes Investigation Act applies and is a local undertaking which falls within the legislative authority of the Province of Quebec.

The Respondent holds licenses or other authorizations to carry goods from the following authorities.

I From the Quebec Transportation Board:

(a) for the operation of a number of local transport services for transport of goods by truck within the St-Hyacinthe area and between St-Hyacinthe and other specified points within the province of Quebec;

(b) for transport services from St-Hyacinthe to the Quebec-Ontario boundary at three exit points for the transport by truck or float of automatic boilers of Volcano Limited from St-Hyacinthe, Que., to various points in Ontario on behalf of Volcano Ltd. and for transport services from St-Hyacinthe, Que., to the Quebec-Ontario boundary at specified exit points and via specified routes for the transportation of organs on behalf of Casavant Freres Ltd. of St-Hyacinthe, and for transport services from St-Hyacinthe, Que., to the Quebec-United States boundary via specified

routes for the transportation of organs for Casavant Freres Ltd.

II From the Ontario Department of Transport for the transportation by truck or float of Volcano Automatic Boilers from St-Hyacinthe to various points in Ontario and for the carriage of organs for and on behalf of Casavant Freres Ltd., St-Hyacinthe, from points in the province of Quebec through points at the Quebec-Ontario boundary to various points in the province of Ontario. These authorities are to be operative in conjunction with the complementary authority granted by the Quebec Transportation Board.

III From the Interstate Commerce Commission of the United States of America for the transportation by truck of organs on behalf of Casavant Freres from the Quebec-U.S.A. border to points in the United States.

The evidence is that the Respondent normally employs between 30 and 40 drivers and helpers in its transportation operations. It has depots at St-Hyacinthe, Montreal and Quebec City in the province of Quebec but has no depots outside of that province.

The Respondent's inter-provincial and extra-provincial operations are confined to:

(a) the transport of automatic boilers manufactured by Volcano Ltd. from its plant in the province of Quebec to Volcano customers in Ontario on behalf of Volcano Ltd. The Respondent handles the bulk of road transport deliveries of these products to Ontario customers of Volcano Ltd. and provides these services for Volcano Ltd. as and when requested by the latter. According to the evidence, the Respondent has made 19 road trips for Volcano Ltd. from its plant in Quebec into Ontario in 1965 up to September 12. Respondent also provides road transport services of the same nature for said goods for Volcano Ltd. within the province of Quebec on the same basis of service; and

(b) the transport of organs manufactured by Casavant Freres Ltd. from its establishment at St-Hyacinthe, Que., to its customers at various points in the

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The Board consisted of A. H. Brown, Chairman, and A. H. Balch, E. R. Complin, J. A. D'Aoust, A. J. Hills and H. Taylor, members. The judgment of the Board was delivered by the Chairman.

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province of Ontario and in the United States on behalf of Casavant Freres Ltd. According to the evidence, the Respondent had made 12 road transport trips for Casavant Freres Ltd. for delivery of organs to customers of the latter at 12 different points in the United States from St-Hyacinthe in 1965, up to September 2, 1965.

Respondent provides similar services for Casavant Freres Ltd. within the province of Quebec also. Respondent handles all road transport services used for delivery of Casavant organs in Quebec, Ontario and the United States and provides these services as and when required by Casavant Freres Ltd.

The Respondent does not transport any goods from points outside of Quebec to points within that province and holds no licenses to do so.

According to the evidence, the volume of the Respondent's extra-provincial and inter-provincial transport business as above represents only a small fraction, not more than five per cent of the total volume of its business, the remainder being wholly within the province of Quebec. Respondent's main operations consist in the carrying of goods by truck between St-Hyacinthe and Montreal, Que.

The issues raised in the contestation of this application and the arguments advanced by the Respondent in support of its submissions therein were fully considered by the Ontario High Court and Court of Appeal in the case of *Re Tank Truck Transport Ltd.* cited by counsel for the Applicant as above.

The Board does not consider that the nature and scope of the Respondent's inter-provincial and extra-provincial road transport operations in themselves or in relation to the nature and scope and extent of its intra-provincial operations differ materially in their nature or scope from the inter-provincial and extra-provincial operations of Tank Truck Transport, Ltd., in themselves or in relation to the intra-provincial operations of that company as set forth in the Reasons for Judgment delivered by McLennan J. in the said *Tank Truck Transport* case.

Upon consideration of the evidence adduced in connection with this application and in the light of the decisions of the High Court of Ontario and the Ontario Court of Appeal in the *Tank Truck Transport* case, the Board is of opinion that the employees covered by the application are employed upon or in connection with an undertaking which is

within the legislative authority of the Parliament of Canada and that the employees within the proposed bargaining unit and their employer, the Respondent, are subject to the provisions of the Industrial Relations and Disputes Investigation Act.

The Board finds that a unit consisting of employees of the Respondent classified as driver, helper and driver, helper, and caretaker-helper-driver, *excluding* office employees, dispatcher, mechanic, and mechanic's helper, is appropriate for collective bargaining,

The Board further finds that a majority of employees in this bargaining unit are members in good standing of the Applicant and certifies the Applicant as bargaining agent for employees in the said bargaining unit.

(Sgd.) A. H. Brown,  
Chairman for the Board

J. P. Nelligan, Esq. } for the  
P. Deschamps, Esq. } Applicant

Marc Beauregard, Esq. } for the  
Emilien Letarte, Esq. } Respondent

## Reasons for Judgment in Applications for Certification Affecting

### Application No. One

Canadian Marine Officers' Union	Applicant
and	
Porter Shipping Limited	Respondent
and	
National Association of Marine Engineers of Canada	Intervener

### Application No. Two

Canadian Marine Officers' Union	Applicant
and	
Levis Ferry Limited	Respondent
and	
District 50, United Mine Workers of America	Intervener
and	
National Association of Marine Engineers of Canada	Intervener
and	
Le Syndicat des employés de la Traverse de Lévis (CSN)	Intervener

### Application No. One

The Applicant is a chartered local union of the Seafarers' International Union of North America, the membership of which by the provisions of its constitution "shall be composed of marine officers holding certificates of competency recognized by the Canadian Federal and Provincial Governments, subject to membership approval in meetings." The Applicant claims to be also

an affiliate of the Seafarers' International Union of North America as defined under the constitution of that organization.

Members of the Executive Committee of the Licensed Division of the Seafarers' International Union of Canada, including Gilbert Gauthier, the Vice President in charge of the said Division, initiated and participated in the actions

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The Board consisted of A. H. Brown, Chairman, and A. H. Balch, E. R. Complin, J. A. D'Aoust, A. J. Hills, Donald MacDonald, G. Picard and H. Taylor, members. The Judgment of the Board was delivered by the Chairman.

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taken for the organization of the Applicant, including the steps taken to apply for and secure a local union charter from the Seafarers' International Union of North America, in the preparation of its constitution, and in subsequent steps taken to submit the proposed constitution of the Applicant, including the appointment of a slate of interim officers therefor, to the persons who were at the time members in good standing of the Licensed Division of the Seafarers' International Union of Canada for their approval by secret ballot.

The express purposes for which the organization of the Applicant was initiated were to take into its membership the membership of the Licensed Division of the Seafarers' International Union of Canada, to take over the collective agreements to which the said Licensed Division of the Seafarers' International Union of Canada was a party and the negotiation of renewals thereof, and to engage in organizational activities for new members.

The constitution of the Applicant, according to the evidence of Gilbert Gauthier, the President of the Applicant and the Vice-President in charge of the Licensed Division of the Seafarers' International Union of Canada, received the approval of the persons who were members of the Licensed Division of the Seafarers' International Union of Canada by a majority vote by secret ballot. This constitution included the following provisions to this end to facilitate the purposes for which the Applicant was organized:

#### *"Article XVI*

##### *Adoption Clause*

*Section 1.* This Constitution shall be deemed to be adopted after approval by a majority of the members of the Seafarers International Union

of Canada, Licensed Division, voting in a secret referendum, and is to be deemed effective on and after the completion of the counting of the votes, except that the provision of Article V pertaining to initiation fees shall not be applicable to those who are members in good standing in the Licensed Division as of the date of adoption of this Constitution.

#### *"Article XVII*

##### *Transition Clause*

*Section 1.* Until the adoption of this Constitution, this Union shall be governed by the Executive Board and the Constitution of the Seafarers International Union of Canada.

*Section 2.* All officers and other job holders who are serving in the Licensed Division of the S.I.U. of Canada at the time of the adoption of this Constitution shall remain to serve as C.M.O.U. officers or job holders, as the case may be, until new officers are elected in their place, or the 31st December, 1965, is reached, whichever event shall first occur, subject to removal during the period, to the same extent and by the same officers or persons, the necessary changes in nomenclature being made, as would have been applicable if they had remained in office or employment in the Licensed Division of the S.I.U. of Canada. The proposed C.M.O.U. election shall be completed by November 15, 1965. For this purpose the following table sets out the new office or job, the present nearest equivalent in terms of function presently performed, and the identity of the person occupying it. The adoption of this Constitution shall constitute ratification of this table.

<i>New Title</i>	<i>Individual</i>	<i>Old Title</i>
President	Gilbert Gauthier	Vice-President in charge of Licensed Division
Executive Vice-President		
Secretary-Treasurer	Gilbert Gauthier	
Area Vice-President	John McCuaig	Thorold Representative
Area Vice-President	Harvey McKinnon	Fort William Representative
Headquarters Representative	Dave Ellison	Headquarters Representative

From the date of the adoption of this Constitution, the officers, as above described, shall execute the powers and functions, and assume the responsibilities of the said offices as set forth in this Constitution.

A copy of the Constitution was sent forward along with the ballot to each of the persons who received this ballot for the purposes of the referendum.

The evidence is that while the Board of Trustees of the Maritime Transportation Unions appointed under the Maritime Transportation Unions Trustees

Act took the position that the Trustees had no authority either to approve or disapprove of the draft constitution, they were kept fully informed by the officers of the Licensed Division of the Seafarers' International Union of Canada of their dealings with the constitution, including the provision of copies of the ballot and the draft constitution which accompanied the ballot.

According to the evidence given on behalf of the Applicant, action was taken, subsequent to the results of the referendum being declared, to effect a transfer of the membership of the Licensed Division of the Seafarers' International Union of Canada to the Applicant. Thus, at the time relevant to the making of this application to the Board, the Applicant is evidently a viable trade union chartered by the Seafarers' International Union of North America operating under an approved constitution and executive board of officers.

In the circumstances and in the light of the evidence the Board is of opinion that the Applicant is a trade union within the meaning of the Industrial Relations and Disputes Investigation Act.

The application for certification that was made on June 11, 1965 was signed on behalf of the Applicant by Gilbert Gauthier as President thereof and by one Albert Robillard as Headquarters Representative.

The question was raised in the course of the hearing before the Board as to the authority and status of Robillard to sign the application as an officer of the Applicant.

Section 47 of the Industrial Relations and Disputes Investigation Act specifies that for the purposes of the Act an application to this Board may be signed, if it is made by a trade union, by the president and secretary or by any two officers thereof or by any person authorized for such purpose by resolution duly passed at a meeting thereof.

The post of Headquarters Representative on the Executive Board of the Applicant became vacant in January 1965 owing to the resignation of Dave Ellison from this office. At a meeting of the Executive Board of the Applicant, held January 20, 1965, the President, Gauthier, was authorized to seek and appoint a suitable member of the union as representative *pro tem* to fill this vacancy, and a meeting of headquarters members held in March 1965 purported to approve this action by the President.

Counsel for the Applicant submits that, in the absence of express provisions in the constitution for filling positions of officers which become vacant, the rest



of the executive may appoint a replacement for an interim period, but has cited no authority in support thereof although afforded the opportunity to do so.

The Board notes that the constitution of the Applicant in Article I thereof provides that a majority vote of the membership shall be authorization for any union action unless otherwise specified in the constitution or by-laws. This provision appears to negate the contention of Counsel for the Applicant in his submission.

The Board observes that the constitution of the parent union, the Seafarers' International Union of North America, contains specific provisions therein in Article VI, Section 5, for the filling of vacancies in any office of the executive of that union between elections, by the executive thereof and specific provisions of a similar nature are generally contained in trade union constitutions.

No evidence was given of any resolution having been passed by the Executive Board of the Applicant authorizing Robillard to sign this or other applications for certification by the Applicant to this Board.

In the result, in the absence of evidence of the authority of the president or the executive board of the Applicant to appoint Robillard as an officer of the Applicant under the provisions of the Applicant's constitution in the transitional period when the application was made, the Board must conclude that the application for certification was signed by one officer of the Applicant only, namely, the President, Gilbert Gauthier. The application is rejected perforce as not having been made by the Applicant to the Board in accordance with the provisions of Section 47 of the Act.

### Application No. Two

The Board has under consideration also an application by the same Applicant as in Application No. One to be certified as bargaining agent for a unit of licensed marine engineers employed by the Respondent, Levis Ferry Limited, which was made under date of June 16, 1965.

This application was signed on behalf of the Applicant by Gilbert Gauthier as President and by one John Newton as Executive Vice-President of the Applicant.

The question was raised in the hearing of the application as to the authority of Newton to sign the application as an officer of the Applicant.

The Board observes that in the Transitional Clause of the Applicant's constitution no person was designated to fill the post of Executive Vice-President

of the Applicant. This post was left vacant, apparently pending the first election of officers.

The evidence submitted is that Newton was appointed Executive Vice-President *pro tem* on June 22, 1965 by the Executive Board of the Applicant.

No evidence or reference was given by the Applicant of any authority having been conferred upon the Executive Board by the constitution to appoint Newton as an officer of the Union at that time. Newton was not otherwise authorized by resolution to make or sign this application for certification for the Applicant.

Thus, without prejudice to any conclusion which might be reached in respect of other issues raised by the Respondent in contesting this application, the Board must conclude that the application was signed by only one officer of the Applicant, namely Gilbert Gauthier. The application is consequently rejected perforce as not having been made by the Applicant to the Board in accordance with the provisions of Section 47 of the Act.

### Reasons for Judgment in Applications for Certification Affecting

Canadian Television Union—Syndicat Canadien de la Télévision      Applicant  
and

Canadian Broadcasting Corporation      Respondent  
and

International Alliance of Theatrical Stage Employees and Moving Picture  
Machine Operators of the United States and Canada      Intervener No. 1  
and

Le Syndicat Général du Cinéma et de la Télévision (CSN)      Intervener No. 2

The Applicant is a newly formed organization which claims to be a trade union within the meaning of the Industrial Relations and Disputes Investigation Act and applies to be certified as bargaining agent for a unit of employees of the Respondent for whom Intervener No. 1 is the presently certified bargaining agent.

The Application for certification is made under date of August 6, 1965, and is signed on behalf of the Applicant by H. E. Read and J. Lamarre as co-presidents of the Applicant.

At the time of the making of the Application for certification Read was president of a chartered Toronto Local, Local 880, of Intervener No. 1, and La-

### Applications Nos. One and Two

The evidence given at the hearings of the above applications for certification, Nos. One and Two, is that Albert Robillard was elected by acclamation as Headquarters Representative to the Executive Board of the Applicant at the first election of officers of the Applicant provided for in the Transitional Clause of the Applicant's Constitution, for which nominations closed September 1, 1965, and that John Newton was elected similarly by acclamation to the post of Executive Vice-President of the Applicant effective on the same date.

The decisions made as above by the Board with respect to the status of Newton and Robillard are pertinent therefor only in respect of applications for certification made to the Board in the period preceding the date of this election.

(Sgd.) A. H. Brown,  
Chairman for the Board

Dated at Ottawa, November 18, 1965.

marre was president of a chartered Montreal local, No. 878, of this same Intervener; both these persons continue to hold and function in these posts. In fact, according to the evidence, Read was re-elected as president of Local 880 of Intervener No. 1 in November 1965.

A trade union is defined by the Industrial Relations and Disputes Investigation Act as any organization of employees formed for the purpose of regulating relations between employers and employees but shall not include an employer-dominated organization. The relationship between a trade union and its members is contractual and the contract of membership consists of the constitution of the trade union. The provi-

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The Board consisted of A. H. Brown, Chairman, and A. H. Balch, E. R. Complin, J. A. D'Aoust, A. J. Hills, Donald MacDonald and Gérard Picard, members. The Judgment of the Board was delivered by the Chairman.

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sions of the constitution govern both the individual and collective actions of the membership.

It is the officers of the union appointed or elected in accordance with the provisions of its constitution who, pursuant to the constitution, are charged with the responsibility of conducting the affairs of the union between general conventions of its members. It is necessary, therefore, that a trade union organization seeking certification under the Industrial Relations and Disputes Investigation Act as bargaining agent for a unit of employees shall be in a position to satisfy the Board that it is a viable trade union organization operating under a constitution which is binding upon its members and officers and has duly elected or appointed officers or other authorized persons clothed with authority to act on behalf of the union and by whose acts the organization and its members may be bound in accordance with the provisions of its constitution or by-laws.

These are essential requirements of a trade union in order that it may function effectively to discharge its responsibilities and obligations to its members and others whom it represents in collective bargaining with employers under the Industrial Relations and Disputes Investigation Act.

The initial step in the organization of the Applicant was undertaken at a meeting comprised solely of the officers of Locals 878 and 880 of Intervener No. 1 held in Ottawa on May 27, 1965. As a preliminary to this meeting the officers of the two locals had circulated to their memberships a written questionnaire for individual completion and return which included the following two questions:

1. Do you wish the executive boards of Locals 878 and 880 to consider the possibility of taking steps toward the decertification of the bargaining agent?

2. If yes, do you wish to be represented by a union directly chartered by the Canadian Labour Congress?

The evidence is that the great majority of replies received from the members of each local was in the affirmative to both questions. As will appear, the Applicant as presently organized is not a union chartered by the Canadian Labour Congress although it is seeking to secure affiliation with the Congress.

The following is the substance of the resolutions approved at the meeting of May 27, 1965, according to the minutes of this meeting:

1. A provisional constitution was adopted for the Applicant;

2. Initiation fees and union dues were set at \$1.00 each;

3. It was agreed to accept as members of the Applicant all who signed their applications on that date and all who will sign in the future;

4. It was agreed to accept in advance to grant a local charter to Toronto and Montreal Locals on reception of a petition signed by seven members from these two executives and to reserve a charter for these two locations;

5. The two national presidents were authorized to present to the Canada Labour Relations Board a request for certification at the most opportune time;

6. The two national presidents were authorized to present on behalf of the Applicant to the Canadian Labour Congress a request to be accepted as an affiliate.

The provisional constitution adopted at the meeting included the following pertinent provisions:

#### Article IV

Section 1—The rules of order and the structure of the Union shall be as follows:

(a) the first convention shall be held one year following the date of certification of this Union by the C.L.R.B.

(b) A national Executive Council composed of two Presidents, a National Secretary-Treasurer and a National Co-ordinator.

(c) Local Unions.

Section 2—No local Union chartered by the Canadian Union nor any of their officers or members are authorized to act on behalf of the Canadian Union except in the measure authorized by the National Presidents.

Section 3—The two National Presidents shall nominate *ex officio* the National Secretary-Treasurer and the National Co-ordinator of the Union.

#### Article VIII

Section 1—The officers of this Canadian Union shall be the two National Presidents, one French-speaking member, the other English-speaking member, who will be elected by majority vote at the convention. Until the first convention, the Presidents of the Montreal and Toronto Locals shall be considered as the two National Presidents.

#### Article IX

Section 1—The local Unions of this Canadian Union may obtain a charter in accordance with the said Constitution.

Section 2—All the chartered local Unions shall be governed by the Con-

stitution of the Union. The local Unions may, if necessary, adopt additional rules and regulations provided they do not conflict with the Constitution of this Union and that of the Canadian Labour Congress. These additional rules and regulations and their amendments thereto must be ratified in writing by the National Presidents.

#### Article XIII—Local Unions

##### 1. Members.

Section 1—In order to establish a local Union, no less than seven persons are required to request from the Canadian Union, a charter and necessary materials, together with a fee of \$20.00. This request must be sent to the National Secretary-Treasurer and the charter shall be remitted by one representative of the Canadian Union.

...

##### 2. Officers.

Section 1—All local Unions must have the following elected officers: President, Vice-President, Corresponding Secretary-Treasurer and three (3) trustees. . . .

Section 2—The officers of the Executive Board shall be elected by a majority vote pursuant to the local Constitution.

It will be observed that, under the provisions of Article VIII of the Provisional Constitution until the first convention, the Presidents of the Montreal and Toronto locals shall be considered as the two National Presidents of the Applicant and that by Article IV the two National Presidents shall nominate *ex officio* the other officers of the union, namely the National Secretary-Treasurer and the National Co-ordinator of the Union.

According to the evidence, Read made application as president of the Toronto local to the National Office of the Applicant on behalf of the Toronto local for a local union charter in June 1965, sending forward therewith a cheque for \$25.00 drawn on a trust account established by the Executive of Local 880 of Intervener No. 1 from funds collected from members of that Local. However, in fact no local union charter had been issued by the Applicant to the local union membership group in Toronto up to the date of the hearing before this Board, and the application for charter and the uncashed cheque for \$25.00 which accompanied the application for charter are being held in the National Office of the Applicant pending the result of this application for certification.



Similarly an application on behalf of the Montreal group of members of the Applicant for the issue of a local charter accompanied by a cheque for \$25.00 issued on a trust bank account similarly established by Local 878 of Intervener No. 1 was sent forward to the National Office of the Applicant in June 1965 by Lamarre. No local union charter had been issued by the Applicant to the local union membership group in Montreal up to date of the hearing before this Board and the application for the local union charter and the uncashed cheque which accompanied the application are being held in the national office of the Applicant pending the result of this application for certification.

The decision to withhold the issue of charters establishing Toronto and Montreal local unions of the Applicant until after certification was secured by the Applicant from this Board was taken by the persons acting as officers of the Applicant in agreement with the officers selected by each of the Toronto and Montreal groups of members on whose behalf the applications for charters were made with the apparent purpose of safeguarding and maintaining their posts and authority as officers of Locals 878 and 880 of Intervener No. 1 for the time being pending the disposition of the ap-

plication for certification. This may have been an exercise of prudent judgment on their part. However, we do not consider that having thus elected to defer final action for the chartering of Toronto and Montreal local unions, the Applicant can now successfully contend in the circumstances that chartered local unions have been established by it at Toronto and Montreal in compliance with the provisions of its Provisional Constitution.

The Board is of opinion that no chartered local union of the Applicant has as yet come into being in either Toronto or Montreal under and in accordance with the terms of the Applicant's Provisional Constitution.

The appointments and authority of Read and Lamarre, who signed the application for certification as co-presidents of the Applicant, to function in these capacities flow from and are predicated upon the validity of their elections as presidents of chartered Toronto and Montreal local unions of the Applicant, neither of which as yet has come into being. The appointments of the other officers of the Applicant which were made by Read and Lamarre as *ex officio* co-presidents of the Applicant are in turn therefore invalid.

In view of the conclusions thus reached the Board has not considered it

necessary to deal with other questions raised in the course of the hearing in relation to the status of the Applicant and the timing of the application.

The Applicant has not established its status as a trade union under the Industrial Relations and Disputes Investigation Act to the satisfaction of the Board. The Application is rejected accordingly.

(Sgd.) A. H. Brown,  
Chairman for the Board

Guy M. Desaulniers, Esq., Q.C.  
L-C Trudel, Esq.  
Hedley Read, Esq.  
Jacques Lamarre, Esq.  
Fred Sullivan, Esq.  
Gilles Pelland, Esq.  
Yvon Dansereau, Esq.  
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Sydney I. Robins, Esq., Q.C.  
Hugh J. Sedgwick, Esq.  
James I. Cameron, Esq.  
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Jean-Paul Geoffroy, Esq.  
for Intervener No. 2

Dated at Ottawa, December 15, 1965.



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This booklet contains material that was formerly published in the *Labour Gazette*, and this first number is being sent to *Gazette* subscribers. The Department of Labour intends to establish a separate mailing list for these supplements dealing with conciliation and certification. Please indicate in the space provided below whether

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# CONCILIATION BOARD REPORTS

## Report of Board of Conciliation and Investigation established to deal with dispute between Motor Transport Industrial Relations Bureau of Ontario and International Brotherhood of Teamsters

To: The Honourable The Minister of Labour,  
Department of Labour,  
Ottawa Canada.

Honourable Sir:

Your Board of Conciliation met with the parties on the 18th and 19th of November, 1965, and the Chairman, with the consent of the other Members of the Board, met with the parties, alone, on Wednesday, November 24, and the full Board met again with the parties on Friday, November 26. The Board held further meetings on Wednesday, December 1, and again on Friday, December 3, and on Saturday, December 11, 1965.

At all the meetings, with the exception of the last three, The Motor Transport Industrial Relations Bureau of Ontario was represented by D. S. Martin, Strathdee Transport Ltd.; Alex Smith, Direct Winters Transport; C. J. Donn, Woods Transport (Hespeler) Ltd.; W. T. Mathers, McAnally Freightways; C. V. Hoar, Hoar Transport Co. Ltd.; W. R. Henderson, Kingsway Transports Ltd.; Jack Taylor, The Overland Express Ltd.; L. G. Teakle, Smith Transport Ltd.; A. G. White, Hanson Transport Co. Ltd.; W. D. Davis, Inter-City Truck Lines Ltd.; and J. A. Donaldson, Motor Transport Industrial Relations Bureau.

And the Union was represented by R. Taggart, J. Contardi, H. Byford, A. L. Wilson, and R. Arnold, of Local 879 (Hamilton); Pat Murray, K. M. Holden, J. Winechuk, and Wm. Ransome, of Local 141 (London); R. Carron and D. C. Jackson, of Local 91 (Kingston); J. Barmier, Wilfred May, D. Elliott, and Wilfred J. Sefton, of Local 880 (Windsor); Charles Thibault, Lloyd Merriatt, Fred

Aldred, Ken McDougall (Chairman), Gordon Newman, Dennis Hay, R. Mooney, and Al Morrison, of Local 938 (Toronto).

On November 26, Mr. Casey Dodds, Canadian Director of the Teamsters International Union, was present, and Mr. Frank Fitzsimmons, Vice-President of the International Union, was present also.

The personnel of this Board is the same as a Board appointed by the Ontario Department of Labour and some of the operating transport companies have a provincial certification only. (See box, page 2, for the list of the companies that come under federal jurisdiction.)

The issues in dispute were large in number and in addition to the monetary issues, there were many other issues referred to the Board.

Upon my appointment as Chairman of the Board, the Federal Department of Labour advised that management contended the following Sections of the contract were in dispute:

- Item 19.3
- Item 19.5
- Item 21.4
- Item 21.8
- Item 22.2
- Item 27
- Item 29
- Item 31

and that the Union agreed that the above items were in dispute, but also the following items:

- (1) Duration of Agreement
- (2) Hours of Work
- (3) Vacations
- (4) Wages

- (5) Premium pay for Saturday and Sunday
- (6) Road driver may book off after 48 hours or 1800 miles
- (7) 2100-mile limitation per week, plus request of mile and one-half payment for each mile in excess of 2100 miles

After the Board had concluded its hearings, the Union advised the Board that there remained in dispute the following sections of the former contract:

- Item 7.12
- Item 19.1
- Item 19.2
- Item 19.3
- Item 19.4
- Item 19.5
- Item 19.6
- Item 20 All of this Article
- Item 21.2
- Item 21.3
- Item 21.4
- Item 21.8
- Item 21.9
- Item 22.2
- Item 22.3
- Item 26 All of this Article
- Item 27.9
- Item 27.10
- Item 27.11
- Item 27.15 (a) (b) (e)
- Item 27.19
- Item 27.23
- Item 27.24 Part 4 and 5
- Item 27.25
- Item 27.27 Health and Welfare
- Item 28 Pension
- Item 29 P/B and Broker
- Item 30 Maintenance of Standards

The Board Report will therefore deal specifically only with this list of contract

The Board of Conciliation and Investigation established to deal with a dispute between Motor Transport Industrial Relations Bureau of Ontario (Inc.) (certain member companies coming within federal jurisdiction) and Locals 879, 880, 938, 141 and 91 of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America (freight agreement) was under the chairmanship of His Honour Judge J. C. Anderson of Belleville. He was

appointed by the Minister on the joint recommendation of the other two members of the Board, J. W. Healy, Q.C., and Murray Tate, both of Toronto, who were previously appointed on the nomination of the Bureau and the union locals, respectively.

The report of the Chairman and Mr. Healy constitutes the report of the Board. A minority report was made by Mr. Tate.



## Companies under Federal Jurisdiction

Argosy Carriers Eastern Ltd.  
Bondy Cartage Limited  
Consolidated Truck Lines Ltd.  
Direct Winters Transport Ltd.  
Finch & Sons Transport Ltd.  
Hanson Transport Co. Limited  
C. Hinton & Company Ltd.  
Hume's Transport Limited  
Husband Transport Limited  
Inter-City Truck Lines Ltd.  
International Cartage Ltd.  
Jones Transport Company Ltd.  
Kingsway Transports Ltd.  
Lawson's Transport Limited  
Walter Little Transport  
Maislin Transport Inc.  
Montreal-Cornwall Exp. Lines Ltd.  
Montreal-Ottawa Express Ltd.  
Morrice Cartage Co. Ltd.  
Motorways (Ontario) Ltd.  
McAnally Freightways  
McNeil Transport Limited  
Norman's Transfer Limited  
The Overland Express Ltd.  
Reliable Transport Limited  
Scobie's Transport Limited  
Simmonds Transport  
Smith Transport Limited  
Thibodeau Express Limited  
Toronto-Peterborough Tspt. Co. Ltd.  
Wallace Transport Limited  
Woods Transport (Hespeler) Ltd.

items as being all items in dispute at the conclusion of formal Board hearings.

One Agreement, called the "Freight Agreement", is bargained for, and entered into on behalf of the Bureau Members, Local Unions 879, 880, 938, 141 and 91, as set out above.

At the opening of the hearing before the Board of Conciliation, the Union representatives submitted that, before the submissions on the issues should be given to the Board, the Bureau should undertake to withdraw what the Unions described as "reprisals".

It would appear that, arising out of some work stoppages some weeks previous to the Board hearings, certain employees of certain Locals have been discharged and a considerable number of grievances have been launched, and that application and permission to prosecute certain individual members of certain Locals has been granted by the Department of Labour.

After this submission to the Board was made by the Union representatives, the Board Chairman consulted with the Bureau representatives and asked them for their comment on the Unions' requests with relation to the withdrawal of the so-called reprisals.

The Bureau representatives advised the Chairman, and the Chairman advised the other Members of the Board, and the Locals, that the Bureau took the position that the question of discharges, grievances and permission to prosecute were not within the terms of reference to the Board and they were not prepared to discuss these matters or to give any undertaking to withdraw, modify or postpone the due process of law in respect thereto.

The Union, after careful consideration, but without withdrawing the demand for the withdrawal of the so-called reprisals, advised that they were prepared to proceed to discuss with the Board the issues referred to the Board.

Submissions were then received by the Board on some of the issues referred to it, and certain committees were set up to discuss and work on an attempt to conciliate certain of the issues, including the issue relating to broker operations.

When the Chairman met the parties to continue the conciliation on Wednesday, November 24, the Unions asked for a recess so that they might caucus.

As a result of the caucus, which lasted some time, the Union representatives again asked the Chairman to find out from the Bureau representatives whether they were prepared to withdraw the so-called reprisals, as a basis for continuing negotiations.

The Chairman discussed the matter with the Bureau representatives, who reiterated their former position with respect to dismissals, grievances and applications for leave to prosecute certain union members, namely that they did not consider it a matter that was properly before the Board of Conciliation and in any event they were not prepared to give any undertaking that any of the disciplinary actions taken would be withdrawn or even modified.

At this point, the President of the Hamilton Local, Local No. 879, asked permission to withdraw from the proceedings, and the representatives of Local 879 withdrew, together with three observer representatives from the Toronto Local, Local No. 938.

The representatives of the other Unions continued in the meeting, however, and discussions upon the major issues continued.

## THE BOARD'S RECOMMENDATIONS

The Board intends to report on the issues remaining at November 30, 1965, as set out in Mr. McDougall's letter to the Board of that date, as referred to above.

The Board recommends that all matters heretofore agreed upon between the

The Board again convened on November 26 with all parties present except the representatives of Hamilton Local No. 879 and also some observers of the Toronto Local, Local No. 938,

Discussions concerning major issues were continued throughout the day and, although some slight progress was made in relation to some of the less important issues, at the conclusion of the day's hearings the Union representatives advised the Board that they felt no useful purpose could be served in continuing Board hearings and asked the Board to write its report.

The Bureau representatives were asked to give their views in relation to this request, and they advised the Board that they were prepared to continue efforts to conciliate the issues, but if the Union felt that it could not look forward to progress being made as a result of the continuation of the Conciliation Board hearings and the continuation of the conciliation process, they would have no objection to termination of the hearings.

The Chairman then advised the parties that, although the various points in dispute had been mentioned, there had been no complete discussion of the views of both parties with relation to a large number of issues, and that the parties were expecting the Board to make a complete report on all the issues; it would be difficult, if not impossible, for the Board to make a useful report without having much more information than up to this time had been placed at its disposal.

After some further discussion, it was unanimously decided by the Board that no further formal hearings would be held but that each party would be allowed to submit to the Board any further material in relation to any of the issues in dispute if they desired to so do, provided that such material would be filed with the Board on or before Wednesday, December 1, 1965.

Both parties did file some additional material with the Board, but even after this additional material was received, the Board was left without sufficient explanatory statements from the parties, in relation to some of the less important issues, to enable it to formulate useful recommendations in connection therewith.

parties in direct negotiations, or at the conciliation stage, be incorporated in the new agreement.

Issues with respect to:- (monetary matters)

- (a) Article 19.1 Statutory Holidays
- (b) Article 20 Vacations with Pay



- (c) Article 21.4 Hours of Work
- (d) Article 26 Rates of Pay
- (e) Article 27.15 Meal Allowances  
(a & B & e) and Payment  
for Sleeping  
accommodation
- (f) Article 27.17 Company Contribu-  
tions to Health &  
Welfare—Insurance  
Fund
- (g) The pro-rating of  
mileage and the  
Limitation of  
mileage per week

were all dealt with and agreed upon in a Memorandum of Agreement, dated September 30, 1965, and signed by the President of each of the Locals and the representatives of the Bureau. It was therein agreed "subject to agreement on the outstanding non-monetary items in dispute, that the Local Unions who are signatories to this settlement, unanimously agree to recommend acceptance to their respective Membership."

A copy of this Memorandum is attached hereto and forms an integral part of this Report.

The Presidents of the Local Unions are not simply delegates, but representatives of their Union and their membership for purposes of bargaining, and when these Presidents and the representatives of the Bureau arrive, as they did in this case, at a tentative settlement of all monetary issues, and when such settlement provides very substantial increases in wages, reduction in hours, improvements in vacations, improvements in welfare benefits and improvements in lodging and meal allowances, and an additional statutory holiday, the Board does not hesitate to recommend to the parties that all monetary issues be settled in the terms of the said Memorandum.

Moreover, if it is to continue to be possible for Union representatives and Company representatives, in the future, to bargain in good faith prior to conciliation, and thereby arrive at an amicable settlement, it is important that what has been thoroughly and properly negotiated by the representatives of both parties should not be disturbed in a Conciliation Board Report.

The said Memorandum, among other things, agrees to substantial increases in hourly rates from October 1, 1965. It also agrees that overtime will be paid on a reduced work week from October 1, 1965, and that effective 1965, an additional statutory holiday, namely Boxing Day, will be incorporated in the contract.

Therefore it becomes necessary for the Board to recommend that the effective date of the hourly increases be January 10, 1966; the effective date for the payment of overtime on the reduced hours be January 10, 1966; the effective date for the addition of a statutory holiday be 1966 instead of 1965, and the effective date for increase of \$4.00 per month in the contribution to be made to the health and welfare fund be January 10, 1966. Likewise the effective date for the increase in meal allowances and accommodation allowances be January 10, 1966.

By reason of the fact that the above mentioned increases in wages, reduction in hours, reduction in weekly hours before overtime applies, the contribution to the health and welfare benefits, if not effective until January 10, 1966 will result in a substantial saving in money to the companies, the Board recommends that because of the delay in the implementation of the terms of the tentative Agreement, the Company should pay to all employees on the payrolls of the companies on October 1, 1965, and still on the payrolls of the companies on January 10, 1966, a lump sum in settlement pay, amounting to \$150.00 or proportionately less if employees have not worked full working time between October 1, 1965 and January 10, 1966.

It is obvious that if the items concerning monetary benefits set out in the tentative Agreement had been effective on the 1st of October, 1965, the individual benefits to be derived therefrom between October 1, 1965 and January 10, 1966 might be considerably different for each employee, but the Board is of the view that the fairest way to compensate the employees in money, because no Agreement is likely to be arrived at before January 10, 1966, would be to pay each employee who has worked throughout the period the lump sum payment provided for above, upon the signing of the new Agreement.

#### *Article 7.12—Grievance Procedure and Arbitration*

The present contract provides that: "The Company shall not be responsible for the payment of time used by an employee in the investigation and settlement of a grievance" and the Union requests that: "The Company shall be responsible for the payment of time used by an employee and stewards in the investigation and settlement of a grievance."

This Article was the subject of discussion at a meeting between the representatives of the parties on October 4, 1965. There was present for the Union, Mr. R.

Carron, K. McDougall, A. Wilson, W. Sefton, and J. P. Murray, and for the Bureau, Messrs. Hoar, Teakle, White, Taylor and Donaldson.

Under Article 7.12, in the Minutes of this meeting, are written the words, "agreed to present agreement". It would seem that the chief complaint of the Union is that in the smaller terminals, the Steward is compelled on occasion to return in the evenings, or on a Saturday morning, to discuss matters pertaining to the contract, or a grievance, when in many instances this could be accomplished, in the Union's view, in a few minutes at the time of the incident.

It would appear that many grievances are discussed on the Company's time, but the provision in the present contract provides that the Company will not be responsible for the payment of time used by an employee in the investigation and settlement of a grievance.

In view of the Agreement between the small companies arrived at on October 4, 1965, when the matter was under discussion, the Board recommends no change in the wording of the present Agreement, but expresses the hope that, where complaints or grievances can more conveniently be discussed during working hours, the Foreman, or others concerned, should be given, by Management, some latitude to do so, provided Company operations are not thereby disrupted or interfered with.

#### *Article 19.1—Statutory Holidays*

The Union has requested, in addition to the statutory holidays provided in the expired contract, that there should be added "Boxing Day" and "Remembrance Day".

The tentative Memorandum of Agreement signed by the parties on September 30, 1965, which is herein referred to, adds: "Effective 1965—Boxing Day".

Therefore, the Board recommends that, in addition to the statutory holidays provided for in the present contract, there should be added the statutory holiday, "Boxing Day". This recommendation is included in the clause above, dealing with all monetary issues. Since no new contract can be entered into before early in 1966, Boxing Day will be added in 1966.

#### *Article 19.2*

The present provision provides: "When one of the observed statutory holidays falls on a Saturday or a Sunday, the day proclaimed shall be the day observed. If no other day is proclaimed, the employees shall be paid the statutory holiday pay in accordance with the conditions outlined below."



The Union requests no change, but the Bureau requests that the clause be changed to read as follows:

"When one of the observed statutory holidays falls on a Saturday or a Sunday, the day proclaimed shall be the day observed. If no other day is proclaimed the employees shall be granted a day off with pay in lieu thereof, subject to 19.3 at the convenience of the employer. If employees perform work on a statutory holiday, they shall be granted a day off with their appropriate statutory holiday pay in lieu thereof."

According to the Minutes of the Joint Committee of the Union and the Bureau, dated October 4, 1965, this Article was tentatively disposed of by agreeing that the clause should be in accordance with the Canada Labour Code. The Board so recommends.

#### *Article 19.3*

The Union requests that highway drivers, instead of being paid an hourly rate for statutory holidays, shall receive the equivalent of 400 miles at the proper mileage rate, for statutory holiday pay.

The Board recommends that the present 19.3 remain, except that the first paragraph shall be amended so that it shall, after amendment, read as follows:

"All employees except highway drivers shall be paid their appropriate hourly rate for the above-mentioned statutory holidays, depending upon the length of their shift, but no less than eight (8) hours and no more than nine (9) hours, and in the case of highway drivers, they shall be paid for ten (10) hours pay at the hourly rate, effective January 10, 1966, and nine (9) hours pay at the hourly rate, effective October 1, 1966, which said nine (9) hours pay will continue for the duration of this Agreement, providing:—" (Balance of 19.3 as per the present Agreement).

#### *Article 19.4*

The present clause provides:

"If an employee is required to work on one of the above-mentioned statutory holidays, he shall receive his normal rate of pay for the time worked, in addition to the statutory holiday pay."

The Union requests that this clause be changed to read as follows:

"If an employee is required to work on one of the statutory holidays listed above, he shall be paid for such time at the rate of time and one-half, or miles and one-half, whichever is applicable."

The Board does not seem to have had any representations from the parties at the Board hearings concerning this request. Therefore the Board recommends that the wording of the present contract shall continue in relation to Article 19.4. In any event, this is a monetary issue and

the Board's recommendations having to do with monetary issues have been dealt with earlier in this Report.

#### *Article 19.5*

The present Article 19.5 reads as follows:

"Any of the statutory holidays as listed, falling within an employee's annual vacation shall be paid, in addition to the employee's annual vacation pay, providing the employee is available for work on the normal shift preceding and following his annual vacation." but the Union requests a change in this wording to read as follows:

"When a statutory holiday falls within an employee's annual vacation period the employee shall be entitled to one additional day of vacation with pay, or, in the alternative, he shall receive one extra day's pay at the rate of time and one-half, or miles and one-half, whichever is applicable."

The Company requests that Article 19.5 should read as follows:

"Any of the statutory holidays listed falling within an employee's annual vacation shall be paid, subject to 19.3 (b) in addition to the employee's annual vacation pay."

The Company's position is that, if the employer were to be required to give the employee an additional day off when statutory holiday falls within an employee's annual vacation, the Company would be forced to schedule vacations to start during the middle of the week, a situation which, in the Company's opinion, neither the Union or the Company would be happy about.

The Company also submits that to pay, at the time and one-half rate for a statutory holiday that falls within a vacation period, would be an extra monetary cost, and all monetary issues have been dealt with above in this Report.

In this instance it seems to the Board that the Bureau's request is reasonable in the particular circumstances of the case, and recommends that the new contract contain the Bureau's suggested clause, namely:

"Any of the statutory holidays listed falling within an employee's annual vacation shall be paid, subject to 19.3 (b) in addition to the employee's annual vacation pay."

#### *Article 19.6*

The present Article 19.6 reads as follows:

"No employee on highway operations shall be compelled to accept a dispatch out of his home terminal on the eve of a statutory holiday, except in cases of emergency, when senior men decline the work reverse seniority shall apply."

The Union requests that this clause be deleted and the following clause inserted as 19.6:

"No employee on highway operations shall be compelled to accept a dispatch out of his home terminal whereby he would be unable to return to his home terminal before the eve of a statutory holiday, except in cases of perishable goods only. When senior men decline the work, reverse seniority shall apply. (The eve of a statutory holiday to be 12:00 o'clock noon.) If an employee on highway operations is delayed beyond the eve of a statutory holiday (12:00 o'clock noon), regardless of the cause for such delay, he shall be paid at double his regular rate of pay."

The Bureau submits that this clause would be impractical because in Canada many statutory holidays do not coincide with those of the United States, and the application of this provision to the movement of international freight would completely disrupt border crossings. In addition to that, the Bureau submits that it was agreed by the Bureau and the Union, at a meeting held on October 4, 1965, to leave this Section as in the old Agreement. This, of course, was only a tentative Agreement, but the Board is not prepared to recommend the change suggested by the Union, as it would involve additional cost above the cost of the items dealt with in the recommendations dealing with all monetary issues, set out above.

#### *Article 20—Vacation With Pay*

Both parties request amendments to this Article, which deals with vacation with pay. However, by the tentative Memorandum of Agreement, dated September 30, 1965, herein referred to, under which revisions of all monetary matters are the subject of such Agreement, the vacations with pay are improved, and the Board, in keeping with the recommendations affecting all monetary matters, recommends that Article 20 be rewritten in accordance with the said Memorandum of Agreement. Under this provision the vacations with pay provisions shall be as follows:

"Effective January 1st, 1966, two (2) weeks after one year of employment; Three (3) weeks after thirteen (13) years of employment; four (4) weeks after twenty-five (25) years of employment."

Effective October 1st, 1966, two (2) weeks after one year of employment; three (3) weeks after twelve (12) years of employment; four (4) weeks after twenty-five (25) years of employment."

Effective October 1st, 1967, two (2) weeks after one year of employment; three (3) weeks after eleven (11) years



employment; four (4) weeks after twenty-five (25) years employment."

*Article 21.2 SS. 5 & 6—Allocation of Hours of Work (Hourly Rated Operations)*

The present subsection 21.2 (5) reads as follows:

21.2 (5) "Any employee taking time off during the week shall not be entitled to work Saturday in lieu of short hours during the week except:

(a) when he is scheduled on sixth day operations

(b) by seniority rights when all other qualified employees have completed a 48-hour week

21.2 (6) "On Saturdays if the senior men have worked 46 hours or less, or if the junior men have worked 44 hours or more, then the senior men will be called for work."

The Union requests that 21.2 (5) and 21.2 (6) be amended to read as follows:

21.2 (5) "Any employee taking time off during the week shall not be entitled to work Saturdays in lieu of short hours during the week."

21.2 (6) "Work performed on Saturdays shall be paid for at the rate of time and one-half the normal rate of pay. Work performed on Sundays shall be paid for at double the normal rate of pay. In assigning work on Saturdays and Sundays, preference shall be given according to seniority."

According to the Minutes of a Joint Meeting of the Union and the Bureau, held on October 4th, 1965, under Article 21.5 (b) are written these words:

"Changed to read in accordance with Section 6" and under Article 21.6: "Change Minutes of October 1st, to read 44 hours."

The Board, at the hearings, did not hear any discussion on this particular Union request and therefore the Board recommends that the matter be settled in the terms of the tentative Agreement shown in the Minutes of the Meeting between the Bureau and the Union, dated October 4th, 1965. The result is that Article 21.2 (5) shall remain as in the present Agreement, and Article 21.2 (6) shall be amended and after amendment shall read as follows:

"Where the Company has not established shifts for Saturday operations, or in the event the Member Company needs additional help, the Company shall assign the work available to the employees in accordance with the following schedule.

The Company shall call those employees who are under 42 hours, in order of seniority, and in the event additional help is necessary, the Member Company will then call those employees in order of seniority who have under 44 hours, and

if further additional help is necessary, the Member Company shall then call employees in accordance with their terminal seniority for work preference."

*Article 21.3—Highway Operations (Spare Board Drivers)*

At the hearing of the Board there was a Committee which made a report on November 25, which made some changes by tentative Agreement, but without the full concurrence of the full Bureau Members and the full Union Members, in Article 21.3 (a) and in Article 21.3(b).

The Board therefore recommends that the small Committee's recommendation in respect to home terminals, spare board dispatch, should replace the present Article 21.3(a). These recommendations are as follows:

*"Home Terminal Spare Board Dispatch"*

The Member Company shall assign Spare Board drivers to highway trips keeping in mind:—

(i) the qualifications and seniority of the employees in the highway operations at the terminal end and,

(ii) hours off regulations and mileage limitations, and

(iii) longest of the highway trips at the time of initial dispatch, and,

(iv) foreign terminal drivers held over or at the terminal."

There was no agreement by the Committee on the definition of "qualifications," but the parties should be able to work this out in direct negotiations after the Board report is released.

The Board recommends that 21.3(b) should remain unchanged, with the exception of the mileage limitation, and that the mileage limitation should be changed to correspond with the provisions of the Memorandum of Agreement dealing with monetary matters, dated September 30, 1965, and in so doing the mileage limitations shall be changed to provide that drivers on highway operations will not drive in excess of 2100 miles per week. However, drivers may book off after they have completed 1800 miles and/or 46 hours providing other qualified drivers are available.

When a highway driver's trip is short, due to the above weekly limitations, the five hour call-in guarantee shall not apply.

*Article—Foreign Terminal Dispatch Highway Operations*

A Joint Committee of the Union and the Bureau (without approval of the full Committees) agreed on November 25, 1965 that a new Section should be added to the Foreign Terminal provisions of the contract, which reads as follows:

(1) Drivers at a foreign terminal shall be assigned to highway trips ahead of

home terminal spare board drivers having regard for:

(a) the length of time the foreign drivers have been held over by the Member Company and;

(b) the destination of the eventual dispatch and;

(c) when (a) and (b) are equal the branch seniority of the foreign drivers when they are from the same terminal.

(2) The Member Company may dispatch a foreign terminal driver ahead of home terminal drivers even though the foreign terminal driver may not have been held over.

(3) Where there are regular runs out of a terminal, foreign drivers may be held until the regular run drivers have been dispatched provided there are sufficient loads available.

(4) When the above mentioned rules do not fit the Member Company operations, meeting will be held between the Member Company and the local union(s) and the rules shall be set up in writing and shall supersede those contained above. In the event the parties do not agree, the above rules shall then apply.

The Board recommends this additional Section be incorporated in the contract.

*Article 21.3(9)—Highway Operations (Foreign Terminal Lay-Over)*

The present contract 21.3(9) reads as follows: "Drivers required to lay over at a foreign terminal shall not be compelled to take a dispatch until they have been off duty for eight (8) hours. They shall be allowed one (1) hour without pay to report for work, except where the location of their sleeping quarters makes it necessary to take longer, and at no time exceeding two (2) hours. Drivers shall not be deliberately held longer than necessary, but may be held up to fourteen (14) hours without pay. If a man is held over thereafter, he shall be guaranteed two (2) hours pay in any event for lay-over time. If he is held over for more than two (2) hours, he shall receive lay-over pay for each hour held over up to ten (10) hours, in the first period. This pay shall be in addition to the pay to which the man is entitled if he is put to work at any time within the twenty-four (24) hours after the run ends. The same principle shall apply to each succeeding twenty-four (24) hours. On Sundays and holidays, meals and lodgings shall be allowed in addition."

The Union proposes a change so that clause 21.3(9) reads as follows:

"Drivers required to lay over at a foreign terminal shall not be compelled to take a dispatch until they have been off duty for eight (8) hours. They shall



be allowed two (2) hours without pay to report for work. Drivers shall not be held longer than necessary but may be held up to a maximum often (10) hours without pay. If a driver is held over thereafter, he shall be guaranteed two (2) hours pay in any event for lay-over time. If he is held for more than two (2) hours he shall receive lay-over pay for each hour held, up to eight (8) hours in the first period. This shall be in addition to the pay to which he is entitled if he is put to work at any time within eighteen (18) hours after his run ends, and the same principle shall apply to each succeeding eighteen (18) hours. The Member Company shall provide three (3) meals for laid-over drivers in each eighteen (18) hour period."

The Board recommends that a new clause be inserted in the forthcoming contract, Article 21.3 (9) dealing with the issue as to lay-over time at foreign terminals to read as follows:

"Drivers required to lay over at a foreign terminal shall not be compelled to take a dispatch until they have been off duty for eight (8) hours. They shall be allowed one (1) hour without pay to report for work, except where the location of their sleeping quarters makes it necessary to take longer, and at no time exceeding two (2) hours.

"Drivers shall not be held longer than necessary, but may be held up to twelve (12) hours without pay. Drivers shall receive lay-over pay for each hour held over twelve (12) hours, up to fourteen (14) hours. If a driver is held over beyond fourteen (14) hours, he shall receive lay-over pay at the straight time for the hours held over twelve (12) hours up to and including fourteen (14) hours, and he shall be guaranteed two (2) hours in any event, for lay-over time exceeding fourteen (14) hours. If he is held over for more than four (4) hours beyond the said twelve (12) hours, he shall receive lay-over pay for each hour held over, up to ten (10) hours in the first period. This pay shall be in addition to the pay to which the driver is entitled if he is put to work at any time within twenty-two (22) hours after the run ends. The same principle shall apply to each succeeding twenty-two (22) hours, and on Sundays and holidays, meals and lodgings shall be allowed in addition."

*Example of Operation of Lay-Over Time at Foreign Terminals*—If a driver is held over twelve (12) hours and less than fourteen (14) hours, he shall be paid for all time over twelve (12) hours which he is held, up to fourteen (14) hours hold-over. If he is held over fourteen (14) hours, he shall be paid four (4) hours hold over (two (2) hours at

straight time and two (2) hours guaranteed up to sixteen (16) hours if held over fourteen (14) hours). If he is held over sixteen (16) hours, he shall be paid for each hour held over twelve (12) hours at the straight time rates.

#### *Article 21.4—Hours of Work*

The Union is requesting that Article 21.4 read as follows:

"It is mutually agreed that all hourly rated employees shall be paid at the rate of one and one-half (1½) times the normal rate for all hours worked in excess of eight (8) hours in any day, or in excess of forty (40) hours in any week, and that no hourly rated employee shall be entitled to work more than eight (8) hours daily or forty (40) hours weekly by right of his seniority. Where a Member Company is required to work any employee in excess of these limitations, all other things being equal, qualified senior employees shall be given the first opportunity to perform such work. There shall be a call-in guarantee of eight (8) hours."

The Board has dealt with this issue in the recommendation concerning monetary matters.

#### *Article 21.8*

The Union has requested two additional subsections to Article 21, namely 21.8 and 21.9, and their requested amendments for 21.8 and 21.9 are added in the following wording:

21.8 "In conjunction with the annual interdepartmental job bid, and from time to time, such departmental employee will be given the preference on equipment according to his seniority, i.e., straight truck, tractor and tandem truck."

21.9 "The annual job bid shall be posted for seven (7) days from January 10th, immediately followed by a 'clarification notice' which shall be posted for seven (7) working days. A 'standard job bid' form will be supplied by the Member Company and the Local Union office concerned will be given copies of both notices when completed. Every employee must sign the job bid."

The Board recommends that there should be an additional clause in the forthcoming contract, entitled 21.8, and that it should read as follows:

"In conjunction with the annual interdepartmental job bid, and from time to time, such departmental employee shall be given preference on equipment according to his seniority, i.e., straight truck, tractor and tandem truck, provided, however, that this shall not be interpreted to give the employee the right to move from one truck to another, nor to give the employee a preference to bid upon a new truck, simply by virtue of seniority,

but it is intended only to apply so that it will give an employee an opportunity to progress from straight truck to tractor-trailer equipment when openings occur, and when qualified, and based on seniority. In all other respects, the job transfer conditions shall remain as in the recently expired contract."

The Board further recommends that an additional clause be inserted in the contract, which will be entitled Article 21.9 and which shall read as follows:

"The annual job bid shall be posted for seven (7) days from January 10th, immediately followed by a notice listing the results of the bid, which shall be posted for seven (7) working days. A standard job bid form will be supplied by the Member Company and the Local Union office concerned will be given copies of both notices when completed. Every employee must sign the job bid."

#### *Article 22.2—Working Supervisors*

The present Article 22.2 reads as follows:

"A 'lead hand' shall be defined as a person who performs work and directs the work of others. He shall not have the authority to hire, fire, suspend or otherwise penalize other employees, and he shall be a Union Member."

The Union would have this clause deleted and a new one, as follows written:

"All Supervisors, Foremen and Lead-hands shall be excluded from the bargaining unit and shall not perform any work which falls within the scope of this Agreement."

The Board is of the opinion that sufficient reasons have not been advanced to enable the Board to decide whether or not the Union's request is a reasonable one, and, therefore, the Board recommends no change in the present Article 22.2. The Board, however, observes, in this connection, that some of the reasons for the request might be met if the Union and the Company could agree that, when lead hands are to be appointed, the senior man qualified for the lead hand position shall be given the opportunity to secure such appointment.

#### *Article 22.3*

The present clause reads as follows: "When lead-hands or foremen are appointed, a notice to that effect will be posted by the Company."

The Union requests this clause be changed to read as follows: "When supervisors, foremen and lead-hands are appointed, a notice to that effect shall be posted by the Member Company."

The Board recommends no change from the present contract, as the wording of the present contract seems to have



been tentatively agreed at a Joint Meeting of the Union and the Company Committees under date of October 4, 1965.

#### *Article 26—Rates of Pay*

At the close of the Board hearings under date of November 26, 1965, the Union listed all of the Articles as being in dispute.

The Board's recommendations with relation to this Article, and the Hours of Work, and Welfare, and certain other matters, are referred to herein under monetary issues.

#### *Article 27.9—General*

The present Article 27.9 reads as follows: "A premium of 0.2¢ per mile will be paid while operating double hook-up equipment, that is a hook-up behind a semi-trailer unit."

The Union requests that Article 27.9 be deleted and that a new clause be inserted to read as follows:

"A premium of two (2) cents per mile will be paid while an employee operates double hook-up equipment (a hook-up behind a semi-trailer unit) up to sixty (60) feet long, and a premium of five (5) cents per mile will be paid while operating double hook-up equipment in excess of sixty (60) feet long."

It is obvious that if the Union's request in connection with this amendment were to be granted, it would add a substantial additional cost to the operating expenses of the Companies, and therefore the Board recommends no change in the present provision in view of its recommendation herein concerning all monetary matters.

#### *Article 27.10*

The present contract reads as follows:

"Drivers required to dead-head at the Company's request will be paid effective July 7, 1962 at the rate of 6.25¢ per mile, and effective October 1, 1963 at the rate of 6.5¢ per mile except on trips of more than 250 miles, the Companies shall have the option of providing rail or air transportation and in such cases the driver will be paid at the hourly rates."

The Union requests that it read as follows:

"Drivers required to dead-head will be paid at full rates and, on trips in excess of 250 miles, drivers will have the option of selecting the type of public transportation for their return."

The Board recommends that a new clause 27.10 should be written into the new contract reading as follows:

"Drivers required to dead-head at the Company's request, will be paid, effective January 10, 1966, 6.8¢ per mile; effective October 1, 1966, 7.2¢ per mile, and effective

October 1, 1967, 7.5¢ per mile, and effective October 1, 1968, 7.7¢ per mile, except on trips of more than 250 miles, the Companies shall have the option of providing rail or air transportation and in such cases the driver will be paid at the hourly rate."

#### *Article 27.11*

The present Article 27.11 reads as follows:

"The highway mileage rates shall include the normal preparation of the vehicle, the initial hook-up of the equipment and the final unhooking and storing of equipment. It shall be the responsibility of the drivers to check oil, gas, tires, windshield washer containers, water and lights on equipment, and the tying of tarpaulin ropes on equipment. Any defects in same shall immediately be reported to the proper authorities, and any time required to repair the equipment, or any time for other work over and above those aforementioned or other delays shall be paid for at the prevailing rates of the driver's home terminal, such time being calculated from the time of the report."

The Union's request is that Article 27.11 be rewritten to read as follows:

"Highway drivers will be paid commencing from time they report to work until they book off duty. It shall be the responsibility of the highway driver to check oil, gas, tires, windshield washer containers, water and lights on equipment, and the tying of tarpaulin ropes on equipment. Any defects shall immediately be reported to the proper authorities."

The present Article 27.11 pays a driver for any other work, other than that connected with the normal preparation; that is, it pays for terminal delays for repairs, etc.

The general increases, herein recommended, will mean that the highway drivers have higher earnings on an hourly basis and the Board does not see fit to add to the Companies' costs by recommending that highway drivers be paid for all time commencing from the time they report to work until they book off duty. Therefore the Board recommends no change in Article 27.11.

#### *Article 27.15 (a) (b) and (e)*

The Union is requesting a change in Article 27.15 (a) (b) and (e). In this request the Union is asking for a flat-rate meal allowance of two dollars (\$2.00) per day, for all highway drivers.

Under the present contract, highway drivers required to sleep away from their home terminal will receive a flat meal expense allowance of 75¢.

In the Board's recommendation re monetary matters, which is referred to

herein, the meal allowance is increased to \$1.50 per night for all those drivers who are required to sleep away from home. No meal allowance will be paid for drivers on turn around operations.

The Board recommends that the meal allowances be increased and changed according to the Memorandum dealing with monetary items, referred to herein.

#### *Article 27.15 (b)*

In Article 27.15 (b), the Union is requesting that a highway driver who is required to find his own sleeping accommodation be paid all *bona fide* receipts for same. In the former agreement, the driver who had to find his own accommodation was given a maximum allowance of \$3.50. In the Memorandum herein referred to, concerning monetary matters, this accommodation allowance is increased to \$4.50 per night.

The Board recommends that the present Article 27.15 Paragraph 1 be amended to read as follows:

"Highway drivers required to sleep away from their home terminal shall be provided sleeping accommodation by the Company; however, where it is necessary for the driver to find his own accommodation, the maximum allowance shall be \$4.50 per night, and the meal allowance of \$1.50 per night will be paid to all drivers who are required to sleep away from home, but no meal allowance will be paid for drivers on turn around operations."

The rest of Article 27.15, the Board recommends remain as in the present contract in accordance with the recommendation on item 27.15 of the subcommittee meeting on November 18 and 19. At this subcommittee meeting, the members of the Union and the Company agreed that 27.15 (e) be deleted from the Union's proposal. This is in accordance with our above recommendation in relation to this item.

#### *Article 27.23*

The present Article 27.23 reads as follows: "All employees will be supplied an account showing the amount earned by hours and the amount earned by miles along with their pay on pay day."

The Union requests that this clause be deleted and the following Article 27.23 be substituted therefor:

"All employees will be supplied with an itemized account showing the individual amounts earned by regular hours, overtime hours, mileage and shift premium rates, with their pay on each pay day. The Payroll Department shall not change any hourly or mileage totals on time cards or tripsheets without first notifying the employee concerned."



The Bureau's objection to the proposed clause is that it would require considerable additional work and payroll cost for the Payroll Department of every Company. In many cases electronic payroll systems are overloaded and could not easily handle the additional items. Sometimes employees make errors when they make out their time cards, or trip reports, and if the Companies were to agree to the Union's suggestion, it would delay the issuing of the pay cheques (so the Companies say), for an indefinite period of time.

The Board is not prepared to recommend a change in the present clause. However, the Board does recommend (without including a specific clause in the contract in relation thereto) that whenever an employee, after having received his pay, is in doubt as to how his pay is made up, that is as to overtime, mileage, and hours, he should have the right to go to the pay office and be supplied with the information he is seeking within a reasonable time, and the Board would hope that if the employees do not abuse this request, that the Company would, when any such *bona fide* request is made, do its utmost to advise the employee as to the full particulars of how his pay is made up.

#### *Article 27.24 (4)*

Article 27.24 presently reads as follows: "All terminal to terminal operations within Metropolitan Toronto will be paid at the hourly rates."

The Union's request is that this clause be amended so that it will read as follows: "All terminal-to-terminal operations within Metropolitan areas will be paid at the hourly rates of pay."

There was no discussion before the Board on this requested amendment. It occurs to the Board that unless Metropolitan areas could be specifically defined, that it would not be feasible for the Bureau to agree to any change. In any event it would appear that at a subcommittee meeting between the representatives of the Union and the Company, held on November 18 and 19, at which small committees of both the Company and the Union were present, it was tentatively agreed that Article 27.24(4) should be continued as in the former contract, and the Board so recommends.

#### *Article 27.25*

The present Article 27.25 reads as follows:

"Employees on the regular seniority list shall not be laid off due to the Company's hiring outside equipment for city pick-up and delivery work when the Company has usable and appropriate equipment available for the same work."

The Union's proposal reads as follows:

"Employees on the regular seniority list will not be laid off due to the Member Company's hiring outside equipment for pick-up and delivery work when the Member Company has usable and appropriate equipment available for that work. It is understood that these provisions will not be used to deprive regular employees on the seniority list of their right to exercise their seniority for any work available, consistent with an efficient operation. No hired trucks shall be called in prior to 11:00 a.m. provided that the Member Company can supply an efficient workforce and all hired trucks must be driven by Union Members. Drivers will not be required to perform any work than tailgate delivery. Where such Member Companies handling perishable goods are required to exceed tailgate delivery in order to maintain their present commitments, a meeting shall be called between the Local Union(s) and the Member Company to reach a mutual agreement. If an employee meets with an accident after starting work, incapacitating him from carrying out his duties, he shall be paid his full day's wages for the day of his injury provided he is not receiving compensation from the Workmen's Compensation Board for that day, and the Member Company shall supply his transportation to a hospital or doctor, and thence to his residence."

The present clause provides that the Companies are not to use hired trucks when the Company has usable and appropriate equipment available for the same work. The Companies submit that if they were to agree to the Union's proposed clause, they would be prohibited entirely the use of hired trucks except when all personnel are working and even in that case the hired trucks would have to be driven by employees who are unionized.

The Companies say that it is necessary, on occasion, to supplement their own fleet by reason of high absentee experience during certain periods of the week, and sometimes the first thing in the morning. The Companies further submit that hired trucks are used only to supplement the Company's fleet and to meet peak emergency situations.

It would appear that the remainder of the Union's Article 27.25 was agreed to in principle on October 1, 1965 by a Joint Union-Company Committee and if this is the case no doubt the principle agreed to can be put in suitable language. As there was no discussion with the Board on this request, the Board recommends that there be no change in Article 27.25, unless the parties agree to put in writing what was said to be agreed on in

principle at the Joint Committee meeting held on October 4, 1965.

#### *Article 27.26—Health and Welfare*

In this request the Union is asking that the Member Company contribute to a fund designated by the Local Union, the sum of \$20.00 a month for each eligible employee covered by the Agreement, for Health and Welfare Insurance, and that the amount be paid on behalf of all employees who work at anytime during the month.

Present clause 27.27 provides for payment of \$12.00 a month for each eligible employee covered by the Agreement, subject to certain exclusions and probationary and part-time employees.

The Memorandum of Agreement which has been herein referred to, under which all monetary matters were tentatively agreed upon by the representatives of the parties, provided that the Company Member's contribution to a fund designated by the Local Union shall be increased by \$4.00 a month, commencing October 1, 1965, making a total of \$16.00 a month instead of a present \$12.00 per month. However, the payment is to be paid for all employees who have completed sixty (60) calendar days and have reported for work any seven (7) days in the month.

The Board recommends that the Health and Welfare Article 27.27 be amended to provide an increase in contribution, of \$4.00 per month, in keeping with the recommendation herein with respect to monetary issues, but such contribution to start January 10, 1966 instead of October 1, 1965 as the tentative agreement provided.

#### *Article 28—Pension Program*

The Union requests that the present Agreement with reference to pensions be subject to further negotiation in view of The Canada Pension Plan's becoming effective on January 1, 1966.

This request was not discussed before the Board, and as both the Union and the Company will be required to abide by the terms and conditions of The Canada Pension Plan, the Board sees no useful purpose can be gained by attempting to make any recommendations in connection with this Article, in the contract.

#### *Article 29—Piggy Back and Broker Operations*

The Board spent a great deal of time attempting to conciliate the issue as to broker-owner operations, and at one time it felt that the parties were close to an agreement in respect to the same.

In effect, the Union is asking that when Member Companies institute owner-operator or broker operations, the owner-operators or brokers shall be



Member Company employees, and come within the jurisdiction of the collective agreement in every respect, including wages, hours, seniority, and other economic benefits, and that union membership shall be maintained by such employees. Further that brokers shall be paid their wages by separate cheque and other expenses or monies paid by employers to brokers be remitted by a cheque separate from the wage cheques.

The Board recommends that there be incorporated a new article in the contract entitled "Broker Operations" and that the new Article shall read as follows:

"(a) A Member Company, or Member Companies who have broker operations in effect at the time of the signing of the next agreement, may continue such broker operation, and the application of the recommendations herein below set forth shall not have application to any such broker operation.

"(b) In the event a Member Company introduces or extends broker operations over those presently in effect, it is agreed that none of the presently employed highway drivers employed in the terminal or terminals of any Company will be laid off from the highway department as a direct result of the introduction or extension of broker operations.

"(c) A Member Company introducing or extending broker operations will give to the qualified highway drivers of its Company, in order of seniority, at the time of the introduction or extension of the broker operation, the first opportunity of subcontracting to become a broker, and in the event that an employee becomes a broker, his seniority as an employee will accumulate during the period in which he operates as a broker and continues to be a broker of the Member Company.

"(d) Before any Member Company introduces or extends broker operations, a meeting will be held with the Local concerned, with a view to working out the most satisfactory reallocation of the highway drivers who might be affected by such operations.

"At such meeting, discussions will be held with a view, if possible, to reallocate the work of the then present named highway drivers so that their wages will not be reduced as a direct result of the introduction or extension of broker operations. In the event that the present named highway drivers, as a direct result of the introduction or extension of the broker operations, suffer a loss of earnings at the time of the introduction or extension of broker operations, the Companies agree that such loss of earnings for presently employed highway

drivers will be made up and paid to the said presently named highway drivers, from the date of the introduction of new broker operations, or from the date of the extension of former broker operations, for a period of one (1) month, for each year of highway service of such employee or employees, and a driver shall be considered to have one (1) year of service as a highway driver, if he has been a highway driver in excess of six (6) months, in continuous highway service."

"Example: If as a direct result of the introduction of new broker operations, or the extension of a former broker operation, Employee 'A', who has 9½ years of seniority as a highway driver, loses \$50 earnings per month, the Company will pay to such employee the said \$50 a month for a period of ten (10) months, from the date of the introduction of the new broker operation, or from the date of the extension of the former broker operation, directly resulting in loss of earnings.

"If any question arises as to the employee's earnings for the purpose of calculation, the earnings will be considered as those received for the pay period immediately preceding the introduction or extension of the broker operations."

Insofar as the "Piggy-back Operation" is concerned, the Board's view is that the present clause should remain unchanged, as it would appear from the submissions of the parties during conciliation that there was no real issue on that part of the clause which relates specifically to "Piggy-back".

#### Article 30—Maintenance of Standards

The Union has requested new clauses to read as follows:

30.1 "The Member Company agrees that all conditions of employment in its individual operations relating to wages, hours of work, overtime differentials, and general working conditions shall be maintained at not less than the highest standards in effect at the time of the signing of this Agreement, and the conditions of employment shall be improved wherever specific provisions for improvements are made elsewhere in this Agreement."

30.2 "It is agreed that these provisions shall not apply to inadvertent or *bona fide* errors made by the employer or the Local Union(s) in applying the terms and conditions of this Agreement if such errors(s) is corrected within ninety (90) days from the date of committing the error. No employer shall be bound by the acts of another employer when he may exceed the terms of this Agreement. Any disagreement between the Local Un-

ion(s) and the employer with respect to this matter shall be subject to the grievance procedure. These provisions do not give the employer the right to impose or continue wages, hours of working conditions less than those contained in this Agreement."

This problem was thoroughly discussed before the Board by both parties and discussed by the Members of the Board with each party.

It would appear that there are certain working conditions or practices in operation in the Windsor Terminal, and general Windsor area, which the Union wishes to be retained as a part of the contract, but there was no evidence before the Board that this was an issue in relation to any other areas other than that covered by the Windsor Local.

The Union did not spell out the specific practices or individual operations relating to wages, hours of work, overtime differentials and general working conditions which it wished to see maintained by the insertion of a Maintenance of Standards clause in the contract.

The Board is of the opinion that, unless the individual operations relating to wages, hours of work, overtime differentials and general working conditions can be specifically spelled out, and described, and understood by both sides, a completely satisfactory solution cannot be arrived at.

However, in an attempt to assist the parties, the Board, at this time, recommends as follows:

"Operational practices which have been uniformly in effect in any individual Member Company, but not covered by the Agreement in the territory of Local 880, will not be discontinued or changed without reasonable notice to the Local Union, by the Company seeking to discontinue or make a change in a uniform practice in effect, and in the event that the Union requests it, the Company agrees to have Company representatives meet with Union representatives to discuss and, if possible, agree upon what change, if any, will be made in such uniform practice, but in the event that the parties cannot agree, the Company shall have the sole prerogative to change any uniform Company practice which has been universally in effect prior to the signing of the Agreement, but not covered by the Agreement, after such discussion and attempt at agreement with the Union concerning the change which the Company desires.

"The Company will be exempt from the requirement of prior notice and discussion, in the event that the requirement to make the change was impossible to foresee in time to give prior notice and arrange for prior discussion."



The Board expresses the hope that as soon as possible after this Report is released, the Bureau will advise the Departments of Labour concerned, that the Member Companies are prepared to accept the Board's Report as a basis for a Collective Bargaining Agreement.

If the Bureau does so notify the respective Departments of Labour, the Board would then hope that the Unions would request that a vote of the Membership of all Locals on the acceptance or rejection of the Board's Report as being a basis for settlement, be taken under the joint jurisdiction of the federal and provincial Departments of Labour.

If the Unions so request, the Board urges the federal and provincial Departments of Labour to agree to conduct the said vote.

The Board realizes that this is an unusual recommendation and ordinarily such a vote would be conducted under the terms of a Union's Constitution, but as the Board understands it, the Union's Constitution, requiring a vote on the Board's Report, does not specifically spell out the method by which such a vote

should be taken, and does not specifically provide that the voting machinery of all the Locals should be uniform.

If the Board's recommendations concerning the conduct of a vote are approved by the parties, and acquiesced in by the federal and provincial Departments of Labour, the vote will doubtless be by secret ballot, and the total result of the voting by the membership of all the Locals will be the only published report of the vote, and as the Board understands it, the members are bound by the results of a total vote of the membership of all the unions combined, it would be better for all parties concerned if the results of the voting in the individual Locals were not made known. This could not very well be the case if each Local conducts it's own vote on the report.

All of which is respectfully submitted.

(Sgd.) J. C. Anderson,  
Chairman.

(Sgd.) J. W. Healy,  
Member.

DATED, at Belleville, Ontario this 17th day of December, A.D., 1965.

## MINORITY REPORT

It is a recognized fact that the duty of a Conciliation Board is to make every effort to effect a settlement while actually meeting with the two parties to a dispute. When unfortunately talks break off, then a Conciliation Board's recommendations are essentially collective or individual opinions, subject to acceptance or rejection by either or both parties. It is in this context that I have dealt with what, in my opinion, are the main stumbling blocks to a resolution of this dispute. I firmly believe that these obstacles can be removed.

For the conciliation process to succeed, it is necessary that a proper bargaining atmosphere be in existence, or that it be created by the Conciliation Board.

From the outset of the hearings, the dismissals, damage actions, etc., termed "reprisals" by the Union and instituted by the Bureau, hung like a cloud over all proceedings. The Bureau firmly contended that the reprisals were beyond the jurisdiction of the Board. While this may be technically correct, rightly or wrongly, it seems to me that any matter which prevents the resolution of a dispute is a fit subject for the conciliation process. Charges that are laid can be withdrawn. By its intransigent stand on the reprisal issue, by the unequivocal statement to the Chairman "that they were not prepared to discuss these matters or to give any undertaking to withdraw, modify or post-

pone the due process of law in respect thereto," in my opinion the Bureau torpedoed at the conciliation stage any hope of a successful resolution of the items in dispute.

The Union claimed that the reprisals were a Damoclean sword, deliberately held over the Union's head, which threatened the very existence of one major local. Numerous grievances lend substance to this charge. In the colourful language of Ken McDougall, chairman of the Union bargaining committee, "if the employers are allowed to beat the brains out of one Teamster local, then they will be able to beat the brains out of all of us."

While the Bureau may have the right by law to proceed with its present policy, it may be well to consider the ultimate ramifications of such a course. As a pebble thrown into water casts ever-widening ripples, so might these reprisals have far-reaching effects on many industries not directly related to the present dispute. It seems that unless the reprisals are withdrawn, there can be no settlement of the current issues.

It is well to recall that reprisals are a throwback to the days of the 1930's, when management exercised this tactic in an attempt to block the development and maintenance of a strong union organization. The well-known result was chaos for the entire industrial community.

## Hours of Work

The Union has requested an overtime penalty for all hours worked in excess of 8 hours in any day or in excess of 40 hours in any week. In this respect the position of organized labour is firm and clearly defined. The Ontario Federation of Labour at its recent Annual Convention in Windsor passed this resolution:

"Whereas the federal Government has enacted legislation providing for a 40-hour work week for all employees under federal jurisdiction along with other provisions, and

"Whereas the work week in Ontario is still 48 hours with provisions for extensions

"Therefore Be It Resolved that the Ontario Federation of Labour urge the Provincial Government to enact legislation providing for the 40-hour work week, and

"Be It Further Resolved that all overtime be paid for at the rate of time and one half for all work performed over eight hours per day. . . ."

This resolution was passed unanimously by delegates representing almost 500,000 Ontario trade unionists.

The federal Government is to be commended for passing the 40-hour week legislation under Bill C-126. However, what it has granted with one hand, it has often taken away with the other in permitting 18-month extensions to various industries.

Despite the latter, the Government has clearly indicated the desirability of work hours being drastically reduced. The whole trend in modern industry is toward the shorter work week. For many years, the average Teamster has been obliged to work long hours. This has often made it impossible to live a normal family life. He has seen other workers win contracts which have brought the work week not only to the 40-hour level, but in some instances, below it. Fatigue, induced by long hours on highway runs, has led to property damage, injury and death itself.

The Union placed before the Board the following average weekly hours worked in selected Canadian major industry groups in 1964:

Industry	Average Weekly Hours (Including Overtime)
Mining .....	42.2
Manufacturing .....	41.0
Durable Goods .....	41.6
Non-Durable Goods .....	40.5
Construction .....	41.0
Services .....	37.1

(Source: Dominion Bureau of Statistics)



By asking for the 40-hour work week, the Teamsters are not only making a major effort to bring their membership into line with many other large unions, they are actually underlining the basic principle inherent in the federal Government's passing of Bill C-126.

## Wages

The Union submitted evidence to the Board dealing with comparative wage rates (1964), regarding Ontario zone 2 and central United States Over-The-Road-Trucking:

Class of Employee	Ontario (Zone 2)	Central States
Drivers, hourly rate	\$1.98/hr	\$3.20/hr
Checkers	\$1.97	\$3.10
Dockmen	\$1.88	\$3.00

## Comparative Annual Earnings, Ontario and U.S.—Eastern District Trucking Industry 1962

### Highway Drivers

Ontario .....	\$5,120
U.S. Eastern District <sup>1</sup> .....	\$8,380

(1) New England, Middle Atlantic Region, Central Region, South of Great Lakes.

### Sources:

Ontario—Dominion Bureau of Statistics  
U.S.—Interstate Commerce Commission

## Costs per Revenue Dollar, Drivers' and Helpers' Wages, Canada and U.S.

Years	Drivers' and Helpers' Wages Canada	U.S.
1949	27.6¢	28.9¢
1955	24.5	29.9
1963	21.2	30.0

### Source:

Canada—Dominion Bureau of Statistics  
U.S.—American Trucking Association (1964)

American Trucking Trends p. 16 & 31.

It is interesting to note that a determined effort is being made throughout the trade union movement to close the gap between U.S. and Canadian wage rates and the Teamsters are again in line with the rest of the trade union movement in making this effort. It may be interesting to observe that there are some truck drivers in Ontario who are making better than the average U.S. rate with regards to wages and hours of work. Many truck drivers in the Toronto newspaper field earn \$109.50 for a 35-hour work week. This will rise to \$113.50 per week on August 1, 1966. Tractor-trailer drivers and designated country truck drivers receive an additional \$1.20 per shift. It may be argued

that the newspaper industry is entirely different from the transportation business. However, like the trucking industry, newspapers face fierce competition. The pertinent factor is that the actual process of driving a truck, whether it be for a newspaper or a transport company, is basically the same mechanical operation. In fact, the Teamster who has the responsibility of driving tractor-trailers, which when unloaded weigh up to 25 tons and, when loaded, up to 40 tons, has a tremendous responsibility and requires unusual skill in the operation of such a vehicle. The safety of not only himself, but others on the highway is in his hands. For his arduous and responsible job, he should be recompensed accordingly.

The Canadian economy is on the upsurge and expanding rapidly. The Union quoted a commercial Letter of the Canadian Imperial Bank of Commerce (July 1965) stressing this fact. It reads as follows: "... The Canadian economy is continuing to advance and there is good reason to anticipate that the strong pace of activity will continue through the year. Strength is well diffused through the industrial structure and widely spread across the Country."

The current profitable position and future prospects of the trucking industry makes substantial wage increases possible. In the December 8th issue of *The Globe and Mail*, a spokesman for the Canadian Transport Tariff Bureau announced that on December 27, Ontario trucking companies will implement freight rate increases ranging from 5 to 20 per cent across the board. In *The Globe and Mail* of November 23, the President of the Automotive Transport Association of Ontario stated that the Ontario Trucking Industry, which annually carries more than 85,000,000 tons of goods, is substantially bigger than its counterparts in all other Canadian provinces. Predicting a bright future, he further stated: "in the year ending March 31, 1965, the number of commercial vehicles in Ontario had increased 7.6 per cent above 1964. I am certain that the next ten years will find that our business has increased to at least double of a few years ago."

Business is booming, according to the Trucking Industry's own statements. The Union, in its wage, hours and other monetary proposals before the Board, is apparently determined to substantially improve the standard of living of its members. The 40-hour week with a substantially increased hourly rate of pay, seems possible of achievement within the Agreement being presently negotiated.

## Broker or Owner-Operators

It is my opinion that no highway driver who has attained seniority should be replaced by a broker. No highway driver's wages should be reduced as a result of the extension or introduction of broker operations.

There is merit in the Union's proposal that "in the event that the Member Company institutes an Owner-Operator or Broker operation, the Owner-Operators or Brokers shall be Member Company employees and they must come within the jurisdiction of the Agreement in every respect, including wages, hours, seniority and other economic benefits and union membership shall be maintained by all such employees."

Essentially the brokerage operation is a contracting-out of work. Any such activity, in the long run, poses a job-threat not only to present drivers, but to others who may come into the work force. There is evidence that such brokers work excessive hours which have in the past led to destruction of life and property. On June 19, 1964, an owner-operator killed four people in a head-on crash on Highway 69 near Pointe Au Baril. At the trial in Parry Sound, it was revealed that this broker had been driving for the greater part of 30 hours prior to the collision, with little sleep or rest. The Magistrate in imposing sentence stated: "The majority of truck operators have set hours for their drivers. I realize that independent drivers are allowed to operate regardless of how many hours they are on the road and this should be discouraged because it is something which is a hazard to the general public using the highways."

It may well be that legislation should be passed as soon as possible which will restrict the number of hours that any truck driver may spend on his highway run in a twenty-four (24) hour period, because when drivers are allowed to drive on the highways an excessively long number of hours in a twenty-four hour period, without adequate rest, a highway hazard is created which contributes to the increasing number of accidents occasioning loss of life and property damage on our highways.

I would respectfully point out that the answer to this and other matters raised by the brokerage operation is indicated by the Union, namely, let the broker be placed within the jurisdiction of the Agreement in every respect.

## Maintenance of Standards

While it may be argued that specific practices or individual operations relating to wages, hours of work, overtime



## MEMORANDUM OF AGREEMENT

This Memorandum contains the revisions for all monetary items contained in this present agreement dated July 11, 1962 between the Motor Transport Industrial Relations Bureau of Ontario and Teamsters, Chauffeurs, Warehousemen and Helpers of America, Local Unions 91, 141 and 880, and General Truck Drivers' Union, Locals 879 and 938, affiliated with the International Brotherhood of Teamsters, Warehousemen and Helpers of America.

**Hourly Rates**

	<i>Oct. 1, 1965</i>	<i>Oct. 1, 1966</i>	<i>Oct. 1, 1967</i>	<i>Oct. 1, 1968</i>
Zone 1—	15¢	15¢	14¢	7¢
Zone 2—	15¢	15¢	15¢	8¢
Zone 3—	16¢	16¢	16¢	8¢

**Mileage Rates**

Mileage rates to be pro-rated at 45 mph effective the same dates as hourly increases.

**Welfare**

To be increased by \$4.00 per month effective October 1, 1965 for a total of \$16.00 per month. Payment to be based for all employees who have completed 60 calendar days and have reported for work any 7 days in the month.

**Vacations**

<i>January 1, 1965</i>	<i>October 1, 1966</i>	<i>October 1, 1967</i>
2 weeks after 1 yr.	2 weeks after 1 yr.	2 weeks after 1 yr.
3 weeks after 13 yrs.	3 weeks after 12 yrs.	3 weeks after 11 yrs.
4 weeks after 25 yrs.	4 weeks after 25 yrs.	4 weeks after 25 yrs.

**Meal Allowance**

Meal allowance to be increased to \$1.50 per night for only those drivers who are required to sleep away from home. No meal allowance will be paid for drivers on turn around operations.

**Accommodation Allowance**

To be increased to \$4.50 per night.

**Reduction in the Hours of Work**

For hourly rated employees overtime will be paid after:

*Effective October 1, 1965*

For Locals 938, 879, 91 — 9 hours per day and 46 hours per week.  
For Locals 880, 141 — 9 hours per day and 44 hours per week.

*Effective October 1, 1966*

For Locals 938, 879, 91 — 9 hours per day and 45 hours per week.  
For Locals 880, 141 — 8½ hours per day and 43 hours per week.

*Effective October 1, 1967*

For Locals 938, 879, 91 — 8½ hours per day and 44 hours per week.  
For Locals 880, 141 — 8½ hours per day and 42 hours per week.

*Effective October 1, 1968*

For Locals 938, 879, 91 — 8½ hours per day and 43 hours per week.  
For Locals 880, 141 — 8 hours per day and 41 hours per week.

**Statutory Holidays**

Effective 1965—Add Boxing Day.

**Duration**—to expire March 31, 1969

Drivers on highway operations will not drive in excess of 2,100 miles a week. However, drivers may book off after they have completed 1,800 miles and/or 46 hours, providing other qualified drivers are available. When a highway driver's trip is short due to the above weekly limitations, the five (5) hour call-in guarantee shall not apply.

It is agreed that subject to agreement on the outstanding non-monetary items in dispute that the local unions who are signators to this settlement unanimously agree to recommend acceptance to their respective membership.

It is agreed that the Bureau representatives will unanimously recommend acceptance of the terms of this settlement to their membership.

DATED AT TORONTO, Ontario, this 30th day of September, 1965.

differentials and general working conditions for all companies have not been spelled out to the ultimate detail, I believe that the intent of the Union is quite clear in its proposals under 30.1 and 30.2. It is to gain a uniformity throughout the industry at the best level pertaining at the signing of the Agreement. With respect, I do not agree with the Chairman's reference to possible changes being made in Local 880's area. The gist of his recommendation is that the Union is permitted to make representations, but in the final analysis the Company will have the sole right to institute changes in any uniform company practice that has been universally in effect prior to the signing of the Agreement but not covered by the Agreement.

**8-Hour Guarantee for Call-in**

For the past 16 years, the guaranteed call-in time has remained at five hours. After such a long period of time in which no change has been made, the Union's request for eight hours does not seem unreasonable.

**Other Issues**

In addition to the above, there are other issues which remain to be solved. Upon many, the Board received written argumentation after meetings before the Board ended and without either party being present to debate the issues.

There is no doubt in my mind that if the basic items were negotiated, the others would fall into line.

I must stress that, in my opinion, there is no issue on the table that is not capable of resolution if the right atmosphere is present. Once again I must refer to the reprisals. This is a key issue.

As previously stated, the Union seems determined to make a major breakthrough in hours of work and wages in the present Agreement. In adopting this attitude, the bargaining committee is simply reflecting the feeling of the membership as a whole. The Teamster is a skilled worker with pride in his occupation. It is he who is demanding shorter hours in order to live a more normal life. He sees substantial contracts being won. The Union bargaining committee is attempting to satisfy this aim in current negotiations.

Again I repeat, no problem exists between both parties which can be termed insoluble. However, there must be flexibility on both sides. I urge further direct negotiations in an atmosphere which will be conducive to a settlement, as soon as the Board's report is released.

(Sgd.) *Murray Tate,*  
Member.



**Report of Board of Conciliation and Investigation established to deal with dispute between  
Canadian Lake Carriers Negotiating Committee  
and  
Canadian Merchant Service Guild, Inc.**

**MATTERS IN DISPUTE**

The Board was presented with two lists of matters in dispute totalling 66 items. Many of the items are duplicated and are therefore not to be considered in both lists. After eliminations have been made it would appear that the following list is appropriate to our concern:

1. Definition and purpose of Agreement
2. Preamble
3. Bargaining unit, recognition, union security and conditions of employment
4. Seniority and promotion
5. Deduction of dues
6. Strikes, lockouts and work stoppages
7. Arbitration, grievance procedure and dismissal
8. Boarding of vessels and authorized representative
9. Hours of work, rates of pay, overtime, compensation, holidays and other economic items.
10. Leave of absence
11. Company business and investigations
12. Transfers
13. Sick leave
14. Cadets or apprentices
15. Accommodation and living conditions
16. Marine disaster
17. Safety regulations
18. Clause paramount
19. Penalty cargoes
20. School plan
21. Management rights
22. Officers' duties
23. Established customs
24. Family security or welfare plan
25. Retained earnings
26. Term

**CONSIDERATION OF THE DISPUTE**

The Board has met with the parties, or with individuals or groups of the parties, on four separate occasions. Meetings were held in Montreal on October 26 and 27, and on November 12, 13, 16 and 17, and in Ottawa on November 2, 1965. In the opinion of the Chairman, an adequate opportunity has been given to both parties to convince the Board that movement from established positions would lead to negotiated settlement. Such evidence not having been produced, the Board must inform the Minister that it does not believe further meetings would serve the interests of the conciliation procedure.

From the outset of discussions, the Board has been hampered and distressed by three areas of irritation. Even prior to the first meeting, the Chairman was made aware of the concern of the Guild over the rapidly approaching termination of the shipping season. The question as to whether or not officers responsible for the operation and control of a vessel are "appropriate" to a collective bargaining unit was an issue only barely submerged, and the ghostly presence of an already signed agreement with a major competitor of the Committee was at all times a significant factor preventing the Board from hope of success.

In any dispute, all those items which prevent the resolution of the dispute should be considered regardless of the nature of the items. For that reason the Board will consider the three questions raised heretofore, and endeavour to make some suggestions as to how they might be resolved or avoided in future.

The first question in point of time is that uncovered by the desperate concern of the Guild with regard to the termina-

tion of the shipping season. Sympathy and understanding must be forthcoming for the spokesmen of an organization which is endeavouring to bargain collectively, when each passing hour brings them closer to the point when their bargaining strength would appear to be seriously diminished by the total removal of the need for the services of those whom they represent. Of concern to the Board is the fact that this frustration has forced the Guild to seek not to search for settlement through painstaking clause-by-clause bargaining, but rather to attempt to cut the Gordian Knot with one swish of the sword, namely, the insertion into the dispute of the Upper Lakes Agreement.

There is one fact that is not in dispute in this matter that must be emphasized repeatedly throughout the report: the fact that this is not a dispute concerning a new Agreement, but concerning the renewal of a presently effective Agreement. Therefore there was a starting point to negotiations and an Expiry Date beyond which the services of the federal Department of Labour were available to the Guild. The Expiry Date was May 31, 1965 and the Agreement contained a 60-day Notice to Bargain clause. The Guild was in a position to commence bargaining, therefore, more than six months prior to the establishment of this Board on October 18, 1965. Although it is not beyond the realm of possibility that some delay may have been caused by the actions of the Committee, the weight of evidence would support the theory that the deliberate or inadvertent leap-frogging tactics of the Guild with regard to the Committee and Upper Lakes have primarily caused the delay,

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The Board of Conciliation and Investigation established to deal with a dispute between the Canadian Lake Carriers Negotiating Committee and the Canadian Merchant Service Guild, Inc., was under the chairmanship of Trevor R. Smith of Willowdale, who was appointed by the Minister in the absence of a joint recommendation from the other two members of the Board, Henry G. Rhodes of Ottawa and Ross Drouin, Q.C., of Quebec City, nominees of the Guild and Companies, respectively. The Negotiating Committee represented Algoma Central and Hudson Bay Railway Company (Steamship Division), Anticosti Shipping

Co., Bayswater Shipping Limited, Branch Lines Limited, Canada Steamship Lines Limited, Carryore Limited, Hall Corporation of Canada Limited, Hindman Transportation Co. Ltd., Marathon Corporation of Canada Ltd., Mohawk Navigation Co. Ltd., Papachristidis Co. Ltd., N.M. Pateron & Sons Ltd., Quebec & Ontario Transportation Co. Ltd., Scott Misener Steamships Ltd., and Transit Tankers & Terminals Limited.

The report of the Chairman and Mr. Rhodes constitutes the report of the Board. A minority report was made by Mr. Drouin.



which in turn has prejudiced the efforts of this Board to obtain a just and equitable settlement.

The Board will recommend that, in future, the Guild endeavour to insist that negotiations be carried on jointly with all affected shipping companies. Should this desirable result be denied them, the Guild should carry on simultaneous, not sporadic, negotiations with the Companies, and make early application for the assistance of the Department should their efforts appear to fall short of success.

The second question of concern to the Board is the inference that the members of the Guild may not be "appropriate" to the bargaining unit. The decision as to whether or not the officers are "appropriate" is not properly before this Board, as the Industrial Relations and Disputes Investigations Act, Chapter 152, Section 9 (1) clearly states that the Board shall so determine. Section 2 (1), sub-section (2) defines "Board" as the labour relations board established to administer this Part. Since any Conciliation Board established under this Act must be inferior to the Board established by the Act to administer the jurisdiction of "appropriate," no presumption of delegated authority will be claimed or assumed.

However, the refusal of this Board to consider any question of jurisdiction cannot remove the conviction of the Board that there are some, if not many, areas in which special consideration must be given as to whether or not the normal articles of a collective agreement are adequate or suitable to define the conditions under which officers of ships must operate.

If one word of levity might be allowed, the Board would recommend that neither the Guild nor the Committee rock the boat by attempting to too closely control the actions of the officers.

The third question of concern to this Board is the introduction into its deliberations of the agreement already in effect between the Guild and Upper Lakes. It is obvious that all must stand or fall on the economic problem created by this intervention.

There are now, in effect, three parties to the dispute. The Committee represents 90 per cent of the shipping tonnage involved; Upper Lakes represents 10 per cent of the shipping tonnage; the Guild represents 100 per cent of the deck officers of the combined fleets.

The question of the participation of Upper Lakes is of concern to this Board only insofar as it directly affects the interests of the Guild and the Committee during this series of negotiations. Therefore, the reference to Upper Lakes

in this report must in no way be construed as anything more than awareness of a fact of life.

The Guild produced as an exhibit a document purporting to be a copy of the new collective agreement in effect between the Guild and Upper Lakes, to expire May 31, 1968. Contained in the exhibit are the following words: "The Guild also agrees not to enter into any other collective agreement of any nature or kind with any Great Lakes steamship operator or operators that is economically more advantageous to such operator or operators than this agreement is to the Company."

Both the Committee and the Guild have submitted similar clauses in their proposals.

In the opinion of the Board, these clauses are neither valid nor legal. The Industrial Relations and Disputes Investigation Act, Chapter 152, Section 14, subsection (a) makes it clear that the parties shall "bargain collectively with one another and shall make every reasonable effort to conclude a collective agreement."

When the Guild accepted the wording of the Upper Lakes Agreement heretofore, it placed itself in the position of precluding bargaining on certain points, and made itself unable to "bargain collectively with one another."

The Board will not support the Guild should it claim that it is "prohibited" from accepting any lesser economic gains than those achieved in Upper Lakes.

The moral question, however, poses an entirely different problem. The Guild and the Committee must live with each other for years to come. Their relationship will be most seriously impaired if either the Guild were to voluntarily renege on its commitment to Upper Lakes, or the Committee were to succeed through economic strength in forcing the Guild to abandon its commitment. None of the shipping companies would ever again be prepared to accept the word of the Guild. The word "sweetheart" might again be heard in the land.

What should the position of the Committee be?

Economic parity was in effect on the Lakes throughout the term of the last agreement. All companies represented by the Committee and Upper Lakes were signatories of identical agreements. All companies were burdened with the same competitive overhead. All other seamen on all other ships are covered by parity agreements. The Committee has admitted that it might have reached the same economic plateau had it been able to maintain honest collective bargaining

throughout this round of negotiations with the Guild.

The Board does not suggest that the economic settlement achieved with Upper Lakes was based on justice or logic. No actual argument has been advanced by either side as to the relevance to sanity of the package deal.

The Board does not deny that it is possible the economic strength represented by the Committee might be sufficient to prevent the Guild from achieving its objectives. The question the Committee must consider is of a different nature.

There was an agreement in effect on the Lakes with parity for all. There are other agreements in effect maintaining parity for all. The Guild has built a superstructure on the past agreement with Upper Lakes. Would it now be the interests of the Committee to destroy this balance?

Pride might say "Yes."

Common sense should say "No."

The Board could not recommend that the Guild break its word with Upper Lakes, but it could and does suggest that the Guild has been guilty of an absence of tact and lack of diplomatic skill in failing to maintain adequate communication with the Committee, during its negotiations with Upper Lakes.

The Board will therefore recommend that the Committee accept the fact that the Guild has not treated it with a strategic amount of respect; but that in its own long-term interests, and on behalf of all Carriers, parity be maintained.

The Guild has already agreed to accept the fact that there is at least one extra category necessary to the Committee than the Upper Lake number of three. It is in this context that the Board recommends a continuation of parity agreement.

The "Clause Paramount" referred to heretofore, which has caused most of the trouble to this Board, should be forever abandoned. The Board would so recommend were it not for the fact that so to do would duplicate the error which the clause creates. This Board is competent to deal with the dispute of October and November 1965, and any recommendation as to future deliberations of subsequent Boards is both impertinent and illegal. This Board will therefore limit itself to recommending that both parties abandon the "Clause Paramount" during the term of the next agreement.

On the question of seniority and promotion, the nagging doubt as to the degree of control allowed to be inserted into an agreement concerning officers becomes obvious. Surely it must be an accepted fact that the employee of any



company who has served that company for the longest period of time should be entitled to the first consideration of any opportunity to achieve advancement. Failure to acknowledge this obligation makes any seniority and promotion class devoid of meaning, and better left out altogether.

In this dispute, however, the obligation to give first consideration to the senior employee must not be viewed in the same light as that of the average industrial dispute. The ability of a senior factory labourer to drive a fork lift truck and earn an extra 10¢ an hour is usually sufficient evidence to enforce his claim. Should his ability be less than adequate, subsequent adjustment can be made without too much damage having been caused either to his employer or himself. The same amount of consideration concerning a deck officer's ability to assume either part or complete control of a vessel at sea could result in disaster, even loss of life, to many other individuals.

The Board will therefore recommend that the Committee accept the fact that the senior applicant be granted first consideration for any position or place into which his abilities might allow him. The Board will recommend that the Guild accept the fact that management must accept a dual responsibility in this regard. They must grant the employee his right to be considered, while at the same time not failing to consider the safety and control of the vessel and its complement, which even the slightest inadequacy could place in jeopardy. The Board is of the opinion that the three pertinent factors in order of weight should be:

1. Possession of necessary certificate
2. Seniority
3. Skill, ability and competence to handle the particular task.

In this dispute, the question of union security is unresolved. The arguments in favour of an equal sharing of the financial obligations of an organization attempting to obtain gains for all have been most thoroughly expounded by Mr. Justice Rand. No restatement of the Rand Formula award, or its modifications, is necessary at this time.

The question of compulsory membership is a different matter. It may be that all members of the bargaining unit should belong to union or guild, if for no other reason than to share the responsibility for its actions. A closed shop or a union shop may be acceptable to both parties to the dispute, and this Board would not advise against such an agreement. No Board, however, should recommend that those who seek to re-

main outside the membership of the Union be compelled to abandon their principles and forced to be members, subject to a constitution to which they may be opposed. The Board will therefore recommend that all members of the bargaining unit who have joined, or may join, the Guild, be required to maintain their membership. All others should be required to accept their share of the financial obligation through a "modified Rand" or "dues shop" formula.

There are other items in dispute to which this Board does not feel that it should refer. These are items that are not items likely to cause more than minor irritation should the parties succeed in resolving the economic dispute.

### CONCLUSIONS OF THE BOARD:

The Committee informed the Board that it was willing to negotiate on each and every point or item. Normal procedure of a conciliation board would require that the members then attempt to isolate areas of difference, eliminate some items, compromise on others, and at all times seek to narrow the gap between the parties until a successful solution became apparent. In this case, however, no matter how politely it may have been expressed, the Guild presented the Board with an ultimatum that on all items economic there would be no negotiation of any kind. The list of economic items was later clarified to mean 17 "sticky" items.

In the opinion of the Board, had the Committee been prepared to yield on every other issue other than the 17, they would still not have achieved a settlement. This opinion prevented the Board from attempting to obtain movement from the Committee. The Committee seemed unable to grasp the implications of the ultimatum, and seemed to be of the opinion that if only the Board would state that the Guild was being less than fair, the spectre would disappear.

Had the Board, for one minute, been of the opinion that any declaration on its part could have removed the fact of the signed Guild-Upper Lakes agreement, it would not have hesitated in so declaring. Such was not, and such is not, the case.

### RECOMMENDATIONS OF THE BOARD:

The Board requests the parties to give serious consideration to those recommendations and suggestions contained heretofore in this Report.

The Board further earnestly recommends that the parties seriously consider their responsibility to all those other

Canadians who have a vital interest in the unhindered transportation of material and supplies. This responsibility can be assumed only by the parties immediately returning to the bargaining table, unhampered by the presence of any third party, and therefore forced to accept the fact that there is no one else to blame for their failure to face the issues. There should be no other way.

This report is respectfully submitted this 20th day of November 1965.

(Sgd.) Trevor R. Smith,  
Chairman.

(Sgd.) Henry G. Rhodes,  
Member.

### MINORITY REPORT

The Chairman of the Board, Mr. Trevor R. Smith, handed me, a few days ago, a draft of the Report he suggests should be forwarded to the Minister, as representing the findings and recommendations of this Board of Conciliation.

Although I agree, as Nominee for the Companies, with the Chairman on a number of points dealt with by him and especially on various principles expounded therein, I feel there are questions, problems and points on which I differ with him and therefore wish to offer my comments on his proposed Report and make a brief outline of my findings and my own recommendations:

### MATTERS IN DISPUTE

Let me say first that the matters in dispute are accurately summarized on page 1 of the Chairman's Report.

### CONSIDERATION OF THE DISPUTE

The formal meetings mentioned are correctly reported. However, I would like to state that besides these formal meetings, the Chairman, in the course of a number of private conversations with both parties and with nominees for the Companies and the Union, exhausted every effort to have the parties reconvene in order to pursue *bona fide* negotiations, and for this we are indebted to him and commend his unfailing patience and endeavours to bring the parties together and effect a workable agreement.

It is true that from the outset of the discussions, the Board was hampered by the adamant stand of the union, who refused to negotiate unless the Companies accepted *in toto* the economic "package deal" submitted to them and which was in essence the same economic agreement it reached with Upper Lakes



Shipping Company in the course of August 1965. Indeed, the only reason given by the union in support of their adamant stand was the provision contained in the new collective agreement signed with Upper Lakes and which reads as follows:

"The Guild also agrees not to enter into any other collective agreement of any nature or kind with any Great Lakes steamship operator or operators that is economically more advantageous to such operator or operators than this agreement is to the Company."

The Chairman states (page 14): "In the opinion of the Board, these clauses are neither valid nor legal" and the Chairman properly refers to the Industrial Relations and Disputes Investigation Act, Chapter 152.

There can be no doubt that, by signing an agreement with that clause, as worded, the union placed itself in a position that precluded it from negotiating with the Committee representing 90 per cent of the Industry, that is to say, with all the companies mentioned herein and involved in this dispute.

In fact, at no time did the union endeavour to discuss the merits of the economic "package deal" it had negotiated with Upper Lakes Shipping but was merely satisfied to repeat time and time again that it had placed itself in such a position without ascertaining whether or not the other companies, representing 90 per cent of the Industry, could accept as being sound such a "package deal".

However, after emphatically stating that the position and stand of the union was based on a clause which was "neither valid nor legal," the Chairman dwells at some length on the moral question posed by the situation as he found it when he undertook to bring the parties to a more flexible approach at the conciliation table and before the Board.

He goes on to remark that the Guild was not in a position to voluntarily renege on its commitment with Upper Lakes and thus violate its given word. However, I fail to see why, when faced with the admission that a clause is both "invalid and illegal," we should still contend that the companies are bound to accept, in fact, its implementation. Indeed, in the Report submitted by the Chairman for my consideration, it is stated that if this clause were set aside by the Guild, as it should be according to the Chairman, none of the shipping companies would ever again be prepared to accept the word of the Guild. Should a party to an agreement ever be expected to or compelled to comply with an invalid clause of a contract which moreover affects, if implemented, a third

party, in this instance all the other companies? I regret that I cannot concur with this proposition, as the companies involved herein would be accepting the application of the clause on the one hand and on the other be refusing to accept it as being "valid and legal". The views thus expressed by the Chairman on the legality and validity of the clause and on its suggested acceptance in fact by the Committee lead him to deal with the principle of economic parity which was in effect on the Lakes throughout the term of the last agreement. In all fairness, I wish to quote the full paragraph of his report regarding this question, and I quote:

"Economic parity was in effect on the Lakes throughout the term of the last agreement. *All Companies represented by the Committee and Upper Lakes* were signatories of identical agreements. All Companies were burdened with the same competitive overhead. *All other seamen on all other ships* are covered by parity agreements. The Committee has admitted that it might have reached the same economic plateau had it been able to maintain honest collective bargaining throughout this round of negotiations with the Guild."

First I must say that I have no recollection of the Committee's having admitted that it might have reached the same economic plateau had it been able to maintain honest collective bargaining throughout this round of negotiations with the Guild.

It is to be carefully noted that when the Chairman deals with the parity which exists, or existed, he refers to parity achieved or obtained by negotiations between all parties concerned and that kind of parity he suggests which, if implemented, would be achieved by one company out of some 15 determining with the union its economic level of such parity and then placing those other companies before a *fait accompli* and saying to them in effect: "You took no part in negotiating and still less in accepting this economic level but you are now bound by it for the sole reason that parity should exist."

The wording of this paragraph would indicate that Upper Lakes Shipping Company, when signing its agreement with the Guild, did so for sound and unquestionable economic reasons and that all further discussions thereon with the other companies became futile and unnecessary. However, this was not the case; at no time did the Guild, or for that matter the members of the Board, get down to discussing the economic basis of the Upper Lakes contract. If the

Committee accepts parity, it would be tantamount to blindly accepting a deal it did not even have the opportunity to discuss and thus accepting it as sound merely because one company out of some 15 involved saw fit to accept it.

Indeed there certainly could be good and sound reasons that could have been invoked by many companies tending to demonstrate that a "package deal" other than that accepted by Upper Lakes was more in keeping with the economic operations of the Industry.

As the Chairman readily agrees, there was no effort made by the Guild to demonstrate the soundness of the economic deal made with Upper Lakes. On the contrary, although the Chairman was informed by the companies that they were prepared to negotiate and discuss all contentious points submitted by both parties, the Guild remained adamant and delivered to the companies an ultimatum to the effect that they could not consider negotiating on economic questions. The Guild did not even attempt to justify the economic advantages they obtained from Upper Lakes during negotiations they had with that company last August, when negotiations with the other companies had not yet been broken off.

Although advocating parity and in effect recommending that the companies accept the Upper Lakes Agreement, the Chairman, in my view, does not mince words in strongly questioning the good faith of the Guild and condemning the methods used to achieve its goal.

Since the Chairman refers to the difficulties awaiting the parties in future negotiations, should we not visualize, for a moment, the conditions of future negotiations if we recommend in this Report that the companies involved accept the Upper Lakes Agreement reached last August by ways and means whose legality and validity are so strongly questioned by the Chairman?

If the companies subscribed to the proposition put forth by the Chairman, this undoubtedly would mean that when the agreement comes up for renewal, the same tactics could successfully be resorted to and nothing would preclude the Guild from negotiating a contract with one or two companies and then facing the rest of the Industry, representing some 90 per cent thereof, with demands such as those we are called upon to consider.

The Guild will then, as now, call for parity for the same fallacious reasons and in the same way it is submitting and invoking today.

Further, on this same basic principle, the Chairman states that he could not recommend that the Guild break its



word with Upper Lakes. Here again, why should we consider as "sacred" a word given on a basis which the Chairman terms "illegal and invalid". The mere fact of finding the Guild guilty of an absence of tact and lack of diplomatic skill is quite insufficient and is certainly not conducive to having it correct its ways in the future and most of all bring about an effective remedy to the plight this has put the Committee in.

My conception of our duty is not to make any recommendations as to negotiations for future contracts but to deal with conditions and submissions as they are presented to us for the renewal

of the 1965 contract and not for the negotiations of the 1968 one.

As to the question of seniority and promotions, as they are dealt with by the Chairman, I would be inclined to subscribe to the basic principles expounded thereon. On the subject of promotions, however, I would suggest that consideration be given to seniority but that the companies should be the sole judge as to the skill, ability and competence of the employee when dealing with promotions.

On other points raised by the Chairman in his prospective report, I believe they could be dealt with satisfactorily by both parties at the negotiation table.

## RECOMMENDATIONS

I would therefore, as nominee for the companies, recommend that the parties seriously consider returning immediately to the bargaining table and negotiate in "good faith" all matters submitted to our Board. In my view they should also consider the possibility, in the absence of agreement, of having a Board appointed whose findings and recommendations would be final and binding.

This report is respectfully submitted on behalf of the Companies' Nominee, this 30th day of November 1965.

(Sgd.) Ross Drouin,  
Member.

## Report of Board of Conciliation and Investigation established to deal with dispute between Hull City Transport Limited and Hull Metropolitan Transport Limited and

### Amalgamated Association of Street, Electric Railway and Motor Coach Employees

The Board of Conciliation and Investigation appointed to endeavour to effect an agreement between the above-cited parties begs to report as follows:

Having held sessions in Ottawa and Hull on November 4 and 5, 1965, at which the Board heard extensive and comprehensive oral representations of all the parties concerned in the dispute, as well as considerable documentary evidence, at which the Board endeavoured to effect an agreement between the parties, the Board begs to report that it has been able to effect such an agreement in most matters, with the exception of those pertaining to wage increase and retroactivity as well as one or two minor ones. Mr. Sydney Hare and Mr. Maurice Chevalier, Q.C., acted for the union and the employer respectively.

The dispute arises from proposals submitted by the union representing the employees for revision of the collective agreement with the employer, as well as certain portions of the expired agreement. During the course of the hearings, it became obvious that the principal impediments to a complete agreement were

the matter of wages and retroactivity; the following were the issues decided.

*Article VI of Expired Agreement*—This article deals with health and welfare and is related to articles 6.03 and 6.04 of the proposed union modifications. During the hearings, Mr. Hare offered to withdraw the demands contained in Article 6.04, unless Workmen's Compensation applied, in which case the parties agreed that they would renegotiate the existing Great West Assurance Plan with respect to garage employees within 30 days after contestation, if any, of the decision of the Compensation Board, or any appeal therefrom.

*Article VI* itself was left in abeyance with the understanding that Mr. Chevalier would ascertain the cost to the company of Compensation, and would then negotiate directly with Mr. Hare.

*Article 6.03* of the proposed union modifications respecting sick leave was agreed to as follows:

1. Sick leave will not come into force until the indemnity being paid to the employee by the Great West Assurance Company ceases.

2. The company agrees to pay to an employee an indemnity of one-day's sick leave, consecutively, for each month's service up to an accumulated maximum of 120 months, to be paid only after the said employee ceases to receive his indemnity from the Great West Assurance Company. In addition, each new employee will be required to have been in the service of the company for a period of at least three (3) months before being considered eligible for this benefit.

3. Should any dispute arise between an employee and the company physician as to the former's fitness to resume his regular duties, then in that event the employee shall be referred to an independent medical consultant to be mutually agreed upon between the parties at the sole expense of the company.

4. Any employee who resigns from the service of the company, or is discharged for cause will forfeit all accumulated sick leave benefits.

*ARTICLE 6.05*—This article dealing with a retirement plan was withdrawn by Mr. Hare.

The Board of Conciliation and Investigation established to deal with a dispute between Hull City Transport Limited and Hull Metropolitan Transport Limited, and Local 591, Amalgamated Association of Street, Electric Railway and Motor Coach Employees of America, was under

the chairmanship of Maynard B. Golt, Q.C., of Montreal. The other two members were Fernand Mousseau of Hull and Francis K. Eady of Ottawa, nominees of the companies and union, respectively.

The report of the Board was unanimous.



**ARTICLES 17.01 and 17.04**—These are articles dealing with clothing and the Board is of the opinion that the number of shirts should be increased from four to five, but the employee will be forbidden to wear company issue when not actually at work, and will be obliged to remove same as soon as reasonably feasible. As far as uniforms are concerned, the Board is of the opinion that the clause in the expired agreement should be retained without modification for the first year of the new agreement; but that in the second year of this agreement, the requirement be modified from three years to two years.

**ARTICLE 8.11 (Proposed Union Modification)**—This refers to split shifts and the parties agreed to attempt to arrive at a harmonious solution, independent of the Board.

**ARTICLE 8.12 (Proposed Union Modification)**—This refers to "off day" work and since it is governed by the provisions of the Labour Code, the request is withdrawn by Mr. Hare.

**ARTICLE 8.13 (Proposed Union Modification)**—This article deals with garage employees being prohibited from driving company buses, and this clause was agreed to, with the understanding that the company would be allowed to utilize these personnel in the event that there existed a lack of authorized drivers, it being understood that such personnel would receive the same remuneration as the latter.

**ARTICLE 8.14 (Proposed Union Modification)**—This refers to the use of company personnel to drive school buses, and was agreed to by Mr. Hare as being applicable only to regular bus drivers employed by the company.

**ARTICLE 8.15 (Proposed Union Modification)**—This refers to promotion of drivers to the positions of inspectors and dispatchers. Mr. Hare maintained that some drivers were doing part-time work in those positions, thus holding two jobs, and so had the effect of blocking promotions. The Board decided that the amount of personnel involved was minimal, and recommends that the existing situation be retained.

**ARTICLE 8.16 (Proposed Union Modification)**—This refers to a desired prohibition that only union drivers of the company be authorized to operate the buses at all times and the Board unanimously recommends against the adoption of this paragraph as being too restrictive.

**ARTICLE 8.20 (Proposed Union Modification)**—The parties agreed that

a satisfactory method of checking the cash box in a bus could be arrived at between the parties.

The following issues decided are contained in the annex to the proposed union modifications with reference to drivers:

(1) The Board recommends against providing free transportation for those drivers working the first and last hour of the working day.

(2) This refers to drivers being compelled to pay for accidents. This is most difficult and the Board recommends that in cases of gross negligence only, keeping in mind that the driver should be protected against any judgment which might cause him financial ruin, the driver will be liable to repay to the company an amount of up to 10% of the damages caused, however such repayment is not to exceed the sum of \$150.00 and must be repaid in monthly instalments over a period of one year.

(5) The rest period will be agreed upon between the parties themselves.

(6) The minimum working day of spare drivers should, according to the Board, be left as presently existing.

(7) The parties agreed that they will attempt to arrive at a satisfactory method respecting the monies and registered tapes which must be handed in by the drivers.

#### **RE: GARAGE EMPLOYEES.**

(2) The forty-four hour working week request was withdrawn by Mr. Hare.

(3) Mr. Chevalier on behalf of the company agreed to the demand that garage employees not be compelled to drive school buses.

(4) The company agreed to supply the furnishings requested, but it was agreed that such furnishings would remain on company property at all times.

(5) The parties agreed that the punch cards will clearly indicate the hourly rate of pay of each employee.

#### **RE: ARBITRATION CLAUSES**

The parties agreed to retain the same arbitration clauses as existed in the expired agreement.

**ARTICLE 16.00**—This refers to rate of pay. The Board feels after due deliberation and consideration of all evidence that it would be in accordance with present-day economic conditions to grant the employees an increase of \$0.16 to be paid as follows:

(a) \$0.08 from December 1, 1965

(b) \$0.08 from December 1, 1966

**TERM OF CONTRACT**—The Board recommends that the contract between the parties be for a period of 31 months, commencing May 1, 1965 and terminating November 30, 1967.

**ARTICLE 16.01**—This refers to retroactive pay. The last agreement expired on April 29, 1965, and the parties were in accord that the union initiated demands for negotiations about March 22, 1965. The parties further agreed that negotiations commenced on May 7 and further talks took place on June 9, June 15, July 22, 23, 27, 28, 29, 1965. Considering the circumstances, the Board feels that a sum of \$60.00 should be awarded to those employees only who were in the service of the company from the period of May 1, 1965, until November 30, 1965.

The Board feels that serious consideration should be given to ameliorating the financial condition posed by the financial statements submitted by the company. To this end, the Board suggests the following alternatives:

1. Subsidy by the City of Hull for *Transport Urbain de Hull Ltée* (Hull City Transport Ltd.).

2. Subsidy by the City of Hull and those municipalities served by *Transport Hull Metropolitain Ltée*.

3. Formation of a Civic Transportation Commission whose principal duty would be to own and operate the municipal transportation services. This could either be a City of Hull Commission or one comprising the City of Hull and those communities now being served by the above companies.

4. Consideration be given to the creation of a regional transit commission covering the metropolitan area of Ottawa and Hull, as recommended in the recent "transportation study".

The Board strongly urges the implementation of the suggestion made during the Board hearings that all future collective agreements be drawn up in French and English, and that either of them be considered the official draft for all purposes, legal or otherwise.

The whole respectfully submitted,

MONTREAL, December 2, 1965

(Sgd.) Maynard B. Golt,  
Chairman.

(Sgd.) Francis Eady,  
Member.

(Sgd.) Fernand Mousseau,  
Member.



**Report of Board of Conciliation and Investigation established to deal with dispute between  
National Harbours Board, Port of Montreal  
and  
Montreal Harbour Staff Employees' Association**

(Translation)

The National Harbours Board, Port of Montreal was represented by the following persons: Messrs. G. Beaudet, J. M. Jacques, Lionel Barriere, Gordon Anderson and their lawyer, Mr. P. E. Renault, Q.C.

The Association of the Port of Montreal Employees were represented by its President, Mr. R. Ulric, Mr. L. Constantineau, Mr. J. McGuire, Research Director, Ottawa Civil Service Employees Federation.

The undersigned have the honour to inform you that the parties came to an understanding before us on all matters in dispute which had been submitted to this Conciliation Board.

We are informed that the parties will immediately sign a collective agreement in proper and due form in accordance with the understandings arrived at between them preceedingly and those concluded before us, the whole in fulfilment of the decision reached here-attached by this Conciliation Board, decision which, having been accepted beforehand on December 6, 1965 as binding the parties in a final and definite manner, as is affixed on the document here enclosed and in accordance with Article 38 of the Act pertaining to the examination, to the conciliation and to the settlement of labour disputes.

We wish to congratulate the parties in their entire co-operation shown during the course of this conciliation.

In virtue of which we have signed at Montreal this 20th day of December, 1965.

(Sgd.) Judge Jean-Louis Peloquin,  
Chairman.

(Sgd.) Arthur Matteau,  
Member.

(Sgd.) E.C. Fortier,  
Member.

*Wages*

The Board recommends:

1. Starting April 1, 1965, a general increase of 8% on wages paid at that date to all employees covered by the Agreement at that time.

It is to be understood that this increase will be applicable to all employees including those who have left since April 1, 1965, in accordance with the time worked.

2. Starting April 1, 1966, an additional general increase of 6% will be granted to all employees covered by the Agreement based on their wages as of that date.

*Overtime*

1. An employee working on a Sunday or a statutory holiday will be credited double time and a half.

2. An employee working on a Saturday or on any other day beyond the normal working hours will be credited one and a half time;

3. Compensatory leave will be based on one and a half or double time and a half as above, however cash payments in lieu if leave was not taken before March 31st, of the following year, for employees working on regular working hours of 40 hours.

For those working on the 37½ hour basis, overtime will be paid by compensatory leave, provided it is taken or granted during the two months following the month the overtime was earned and at the end of this period the Board will pay in cash any outstanding overtime.

*Duration of the Agreement*

The Agreement will be for a period of two years starting from the date of signature.

Notwithstanding the foregoing, it is agreed in advance, between the parties that the wages to be negotiated in December 1967 will be automatically retroactive to the first of April 1967.

(Sgd.) Judge Jean-Louis Peloquin,  
Chairman.

(Sgd.) Arthur Matteau,  
Member.

(Sgd.) E. C. Fortier,  
Member.

The Board of Conciliation and Investigation established to deal with a dispute between Montreal Harbour Staff Employees' Association and National Harbours Board, Port of Montreal, was under the chairmanship of His Honour Judge Jean-Louis Peloquin of Sherbrooke. He was appointed by the Minister on the joint recommendation of the other two members of the Board, Arthur Mat-

teau of Montreal and E. C. Fortier of Ottawa, who were previously appointed on the nomination of the company and union, respectively.

Before the hearings of the Board commenced, the parties agreed in writing to accept the recommendation of the Board as binding in settlement of the dispute.



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# CONCILIATION BOARD REPORTS

Report of Board of Conciliation and Investigation established to deal with dispute between

Denison Mines Limited, Elliot Lake

and

United Steelworkers of America

The Board was established pursuant to the provisions of the Industrial Relations and Disputes Investigation Act on November 2, 1965.

The Board met with the parties in Elliot Lake, Ont., on November 24 and 25 and in Toronto, Ont., on December 1, 2, 13 and 14. The parties met without the Board in Sudbury on December 4.

There are approximately 550 employees in the bargaining unit.

Denison Mines Limited is located in Elliot Lake, Ont., which locality is engaged in the mining of uranium ore. The other operations in the community are the selling of goods and services, which cannot be considered to be comparable to uranium mining.

Recently a collective agreement was signed in Elliot Lake between another uranium mining company and the United Steelworkers of America. Some aspects of both these operations are comparable and therefore the prior settlement did present some guideposts for the Board. However, during negotiations there were times when these posts were obstacles rather than guides.

There were many points in dispute, such as—

Length of contract  
Wages  
Retroactivity

Annual vacations  
Adjustment of inequalities  
Insurance and welfare  
Pensions  
Union security  
Saturday and Sunday premiums  
Shift premiums  
Incentives  
Seniority rights and values re promotions, transfers, etc.  
Employee training  
Co-operative wage study  
Hours of work  
Reworking of several contract clauses and some other points of secondary importance.

Bargaining was "close to the vest" but devoid of any sign of animosity or ill will. Because of the excellent co-operation of the parties final settlement was reached.

On December 14 a "Memorandum of Settlement" was signed\*.

If, and when, the terms of the "Memorandum" have been ratified by the principals, a contract will be executed and a copy forwarded.

The above report is respectfully submitted this 17th day of December 1965.

(Sgd.) F. J. AINSBOROUGH,  
Chairman.

(Sgd.) G. S. P. FERGUSON, Q.C.,  
Member.

(Sgd.) PETER PODGER,  
Member.

\* The Memorandum of Agreement, which has now been ratified, provided for, among other things, a total wage increase of 34 cents an hour in a three-year agreement, two additional statutory holidays, improved vacations, and an increase in shift premium rates.

The Board of Conciliation and Investigation established to deal with a dispute between the United Steelworkers of America and Denison Mines Limited, Elliot Lake, Ont., was under the chairmanship of F. J. Ainsborough of Toronto. He was appointed by the Minister of Labour in the absence of a joint recommendation from the other two members of the Board, G. S. P. Ferguson, Q.C., and Peter Podger, both of Toronto, who were previously appointed on the nomination of the company and union, respectively.

A LABOUR GAZETTE SUPPLEMENT

CANADA DEPARTMENT OF LABOUR

Hon. John R. Nicholson, Minister

George V. Haythorne, Deputy Minister



# CANADA LABOUR RELATIONS BOARD

## Reasons for Judgment in Application for Certification Affecting

### Application No. 1

International Longshoremen's Association

and

Brown and Ryan Limited, Montreal

Applicant

Respondent

### Application No. 2

International Longshoremen's Association

and

Eastern Canada Stevedoring (1963) Ltd., Montreal

Applicant

Respondent

In Application No. One, the Applicant, a trade union local chartered by the International Longshoremen's Association, an international trade union with headquarters in the United States of America, applies to be certified as bargaining agent for a unit of employees of the Respondent employed in the following classifications of employees, viz., mechanic, gearman, shedman, and palletizer employed in the Port of Montreal, excluding office and clerical employees. According to the report of the Board's investigating officer based upon his check of the payroll records of the Respondent and the membership records of the Applicant, there were 41 employees in the proposed bargaining unit at the date of the making of the application, of whom 29 were members in good standing of the applicant at that time. There is no evidence of any subsequent withdrawals from membership. There is no dispute between the parties as to the appropriateness of the bargaining unit.

In Application No. Two, the applicant, a trade union local chartered by the aforesaid International Longshoremen's Union, applies to be certified as bargaining agent for a unit of employees of the Respondent employed in the following employee classifications, viz., mechanic, mechanic's helper, mechanic's foreman, gearman, lift truck operator, general labourer, general labour foreman in the Port of Montreal, excluding supervisors and office and clerical employees. According to the report of the Board's investigating officer based upon his check of the payroll records of the Respondent and the membership records

of the Applicant, there were 96 employees in the proposed bargaining unit at the date of the making of the application, of whom 56 were members in good standing of the Applicant at that date. There is no evidence of subsequent withdrawals from membership.

The Respondent in Application No. Two contests the inclusion in the bargaining unit of two employees classified respectively as mechanic's foreman and general labour foreman, on the ground that the persons so classified exercise management functions and by reason thereof are not employees falling within the definition of "employee" contained in paragraph (i) of subsection (1) of Section 2 of the Industrial Relations and Disputes Investigation Act.

In each of Applications No. One and No. Two, the Respondent therein contends that the Board has no authority to entertain the applications on the ground that the employees in the proposed bargaining unit for which the applicant seeks certification as bargaining agent are not employed upon or in connection with a work, undertaking or business operated or carried on for or in connection with shipping or navigation within the meaning of Section 53 of the Industrial Relations and Disputes Investigation Act and specifically the provisions of paragraph (a) of that section.

In the case of Application No. Two, the Respondent therein is a corporate stevedoring contractor which contracts with shipping lines operating in both inland and maritime waters and deepsea carriers for the discharge of cargoes that their ships carry to the Port of Montreal and for the loading of outgoing cargoes on their ships from that port. To provide the services required by their clients for the loading and unloading of cargoes from and to such ships from the port docks and the portside freight shed terminals of the Respondent where the cargoes handled are assembled for loading on board ship or are placed upon unloading from ship, the Respondent employs the services of stevedores. These employees are employed under the terms of a collective agreement entered into between the Shipping Federation of Canada, of which this Respondent is a member, and a trade union local of the International Longshoremen's Association.

The Respondent maintains and operates the freight shed terminals described above and performs for its clients clerical services attendant upon the receipt of waterborne cargo to and from inland carriers as well as a normal and necessary part of the stevedoring services provided by it, and evidently by other stevedoring contractors to their clients a

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The Board consisted of A. H. Brown, Chairman, and A. H. Balch, E. R. Complin, J. A. D'Aoust, A. J. Hills, Donald MacDonald, Gérard Picard and Harry Taylor, members. The judgment of the Board was delivered by the Chairman.

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the Port of Montreal for loading and unloading of ships' cargoes. The physical handling of the cargo in the unloading operation ceases for the most part at the place of rest within the portside cargo freight shed terminal. At that point, the inland carrier, either trucker or railroad, picks up the cargo from the floor of the terminal and places it on his carrier for ultimate delivery to the consignee. Conversely, on a loading operation the cargo is received into the portside freight shed terminal by the Respondent from the inland carrier and is then loaded aboard the ship by the Respondent when the ship is due to load.

The Respondent operates a garage situated on Port of Montreal harbour property on space leased from the National Harbours Board. This is required for the maintenance and repair of mechanical equipment used by the Respondent in connection with its ship loading and unloading operations. This work is performed in large measure in the garage but when the exigencies of the work require, the mechanics and gearmen employed therein perform the work on the dock or on board ship.

None of the employees in the proposed bargaining unit engages in or performs work having to do directly with the physical loading or unloading of cargo on board ship or off board ship.

The work of the employees in the several classifications in this bargaining unit is as follows:

**Mechanics**—The mechanics and mechanics' helpers maintain and repair mechanical equipment used by the Respondent in connection with its cargo loading and unloading operations and operate in and out of the Respondent's garage as above described for this purpose. They are also responsible to keep in gas and to oil this mechanical equipment and may be required to go to the several parts of the port as required for this purpose from day to day.

**Gearman**—These employees work in the same garage in which the mechanics work. Their work is to fabricate and maintain gear used in connection with the Respondent's stevedoring operations.

**General Labourers**—According to the evidence, the normal practice within the Port of Montreal is to deliver cargo coming in on a ship within five business days subsequent to the completion of the discharge of the ship's cargo. However, there is a custom among the consignees in Montreal to utilize the freight shed terminal facilities for the purpose of storage in connection with the carriage

of ocean goods so that in fact cargoes may remain within the terminal upwards to 30 days, at which time such cargoes go upon an unclaimed list and then are available for warehousing.

The Respondent finds it necessary in the course of its operations to consolidate the cargo in its freight shed terminal after normal delivery time in order to maintain adequate space for the day-to-day receipt of cargoes handled by it. The general labourers employed by the Respondent are used for the purpose of such consolidation of cargo within the terminal or the transfer of cargo from one shed to another in event that the Respondent is no longer using that shed.

**Lift Truck Operator**—This employee drives a lift truck in the handling of export ships' cargoes received into the port by rail or truck. His function is to remove the cargo once it is placed upon the pallet in the shed terminal and take it and place it at a designated resting place within the freight shed pending future loading of such cargo on board ship by the Respondent.

On occasion the Respondent loads cargo directly from truck or railroad car into ship but this is not normal practice because of the congestion which such operation causes alongside the ship.

**Palletizers**, or cargo pilers, as they are sometimes alternatively described, receive merchandise from railway cars or trucks at the freight shed terminals to be loaded later into ships. They ordinarily work with a lift truck in the performance of their duties.

**The mechanic's foreman** works with the mechanics in the Respondent's garage and carries out certain supervisory functions in relation thereto under the direction of the supervisor of mechanics.

**The general labour foreman** works with the general labourers employed in the Respondent's freight shed terminals as above in a supervisory capacity under the direction of the general labour supervisor.

The evidence given with respect to the status of the Respondent and the nature and scope of the operations of the Respondent in Application No. Two in the Port of Montreal, and the duties of employees in the proposed bargaining unit which are summarized above, is likewise fully applicable to and descriptive of the status and nature and scope of the operations of the Respondent in Application No. One and the nature and scope of the duties of employees of that Respondent in the classifications thus described.

The relevant portion of Section 53 of the Industrial Relations and Disputes Investigation Act reads as follows:

53. Part I applies in respect of employees who are employed upon or in connection with the operation of any work, undertaking or business which is within the legislative authority of the Parliament of Canada including, but not so as to restrict the generality of the foregoing,

(a) works, undertakings or businesses operated or carried on for or in connection with navigation and shipping, whether inland or maritime, including the operation of ships and transportation by ship anywhere in Canada; and in respect of the employers of all such employees in their relations with such employees and in respect of trade unions and employees' organizations composed of such employees or employers.

The Board is of opinion that the evidence which is summarized above shows clearly that in the case of each of Applications No. One and No. Two the Respondent operates or carries on an undertaking or business for or in connection with navigation and shipping, both maritime and inland, falling within the scope of the provisions of Section 53 of the Industrial Relations and Disputes Investigation Act and that the employees of the Respondent in the proposed bargaining unit are employed upon or in connection with the operation of such undertaking or business.

Counsel for the Respondent had advanced in his argument what appears to be an untenable narrow concept of interpretation as to the application of Section 53 of the Act in the light of the facts brought out in evidence. His contention is, in effect, that the employees in the proposed bargaining units do not fall within the purview of paragraph (a) of Section 53 of the Act inasmuch as they are not actually engaged in the physical work of loading or unloading ships' cargoes and their employment is not essential thereto. Hence he contends that they are not employed upon or in connection with the stevedoring operations carried on by the Respondent, which admittedly constitute an undertaking or business operated or carried on for or in connection with navigation and shipping.

In the opinion of the Board the evidence does not provide any foundation in fact for this contention. The evidence leads to the contrary conclusion.

In the case of each of Applications No. One and No. Two, the Board finds



on the evidence that the operations upon which the employees of the Respondent in the bargaining unit for which the Applicant seeks certification as bargaining agent are employed are essential parts of the stevedoring operation carried on by the Respondent. The freight shed terminal services on the harbour property provided and operated by the Respondent for handling of incoming and outgoing ships' cargoes are an integral part of the stevedoring services which the Respondent provides to its clients with whom it has stevedoring contracts. The maintenance and repair operations carried out by the mechanics and gearmen form an essential part of the ships' cargo loading and unloading operations.

In the case of each of these applications the Board is of opinion that the employees in the classifications comprising the bargaining unit are employed upon an undertaking or business operated or carried on for or in connection with navigation and shipping and that these employees and their employer, the Respondent, are subject accordingly to the provisions of the Industrial Relations and Disputes Investigation Act.

The Board finds that the two employees classified as mechanic's foreman and general labour foreman in the unit of employees for which the Applicant in Application No. Two seeks certification are employees within the meaning of the definition of that term contained in paragraph (i) of subsection (2) of Section 1 of the said Act in the light of the oral evidence given at the hearing and the Respondent's replies to the Board's questionnaire concerning the nature and extent of exercise of management functions by each of these employees. Although both perform certain supervisory duties, these are of too limited nature and scope to warrant a finding that the employee should be excluded from the application of the Act by reason of the exercise of management functions.

In the case of Application No. One, the Board finds that a unit of employees of the Respondent consisting of mechanic, gearman, shedman, and palletizer, *excluding* from the bargaining unit the office and clerical employees, is appropriate for collective bargaining and that a majority of employees in the said unit are members in good standing of the

Applicant. The Board finds also that the Applicant is a trade union within the meaning of the aforesaid Act. An order will issue accordingly for the certification of the Applicant as the bargaining agent of the aforescribed unit of employees of the Respondent.

In the case of Application No. Two, the Board finds that a unit of employees consisting of mechanic, mechanic's helper, gearman, lift truck operator, general labour, mechanic's foreman, and general labour foreman, *excluding* from the bargaining unit the supervisors and office and clerical employees, is appropriate for collective bargaining and that a majority of employees in the said unit are members in good standing of the Applicant. The Board finds also that the Applicant is a trade union within the meaning of the aforesaid Act. An order will issue accordingly for the certification of the Applicant as the bargaining agent of the aforescribed unit of employees of the Respondent.

(Sgd.) A. H. BROWN,  
Chairman, for the Board

Dated at Ottawa January 12, 1966.



## Reasons for Judgment in Application for Certification Affecting

*Le Syndicat Général du Cinéma et de la Télévision (CNTU)*

Applicant

and

Canadian Broadcasting Corporation

Respondent

and

International Alliance of Theatrical Stage Employees

Intervener No. 1

and

Canadian Television Union—*Le Syndicat Canadien de la Télévision*

Intervener No. 2

and

National Association of Broadcast Employees and Technicians

Intervener No. 3

and

Association of Radio and Television Employees of Canada—

*l'Association des Employés de Radio et Télévision du Canada*

Intervener No. 4

The Applicant applies in its amended application to this Board to be certified as bargaining agent for a unit of employees of the Respondent consisting of all employees in the Quebec Division of the Respondent, together with one other employee, a script assistant in the International Service of the Respondent stationed in Montreal. All of the employees in the proposed unit are represented at present by Intervener No. One as their bargaining agent.

All of the classifications of employees in the proposed bargaining unit for which the Applicant seeks certification are part of and are included in a system-wide unit of employees of the Respondent comprised of a range of homogeneous classifications of employees engaged in the production of television and radio broadcast programs of the Respondent for whom Intervener No. One has been certified as bargaining agent by this Board in 1953. The employees in this system-wide unit which the Board thus found to be appropriate for collective bargaining have been covered by successful collective agreements entered into between Intervener No. One and the Respondent following upon this certification. Negotiations for a new collective agreement between these parties are in process at the present time.

According to the Board's investigating officer, there were 664 employees in the Applicant's proposed bargaining unit on November 9, 1965, the date of the application. This number compares with a total of some 1500 to 1600 employees in the system-wide unit who are employed

at production centres of the Respondent across Canada, including Montreal, Toronto, Halifax, Ottawa, Winnipeg, Edmonton and Vancouver.

The Quebec Division of the Respondent is an administrative division of the respondent encompassing the Province of Quebec and including both French-language and English-language stations within the province. It is set up to include all those services of the Respondent which are exclusive to the Province of Quebec and to the Montreal operations of the Respondent. It does not include stations of the French network of the Respondent outside of the Province of Quebec as, for example, the Ottawa station, which is within the Ontario Division, or the Winnipeg station, which is within the Regional Broadcasting Division (Prairies), or the Moncton station, which is within the Regional Broadcasting Division (Maritimes). Neither does it include the International Services of the Respondent, which is based in the Province of Quebec and which produces and broadcasts programs in French, English and other languages. The programs produced by the Quebec Division are used in the operations of the Respondent in Quebec and in other regions in Canada and the employees in the Quebec Division in the

proposed bargaining unit are engaged in the production of these programs. The programming for the specific needs of the French network of the Respondent, which comprises of all French-language stations across Canada, is a direct responsibility of the Quebec Division.

According to the evidence of the Respondent, there is no distinction in the degree of divisional autonomy accorded to the Division or in the measure of central control exercised by headquarters as between the Quebec Division and other administrative divisions of the Respondent.

Technicians and craftsmen in the classifications of employees in the proposed bargaining unit work interchangeably as between French- and English-language stations within the Division. This is also the case in respect of the same classifications of employees at production centres in other divisions across Canada where there are both English- and French-language stations.

Job specifications for all classifications of employees in the system-wide unit for which Intervener No. One is certified are the same throughout the system, although different emphasis may be placed on some aspects of the job function in some instances by management in the different centres.

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The Board consisted of A. H. Brown, Chairman, and A. H. Balch, E. R. Complin, J. A. D'Aoust, A. J. Hills, Donald MacDonald, Gérard Picard and Harry Taylor, members. The judgment of the Board was delivered by the Chairman.

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According to the Respondent, although there is a limited exchange of employees between the Quebec Division and other divisions, there is a much greater interchange of employees between other divisions. The reason advanced by the Respondent for this is that often employees in Quebec do not wish to work in other parts of Canada. There are some differences in local operating techniques as between the several production centres across Canada. However, according to the evidence of the Respondent, these differences are not significant as affecting the practicalities and feasibility of collective bargaining on a system-wide basis, either in respect of the unit of employees represented by Intervener No. One or in respect of other system-wide bargaining units of production employees established and found by this Board to be appropriate for collective bargaining. Wage rates and working conditions in these system-wide units, including the unit represented by Intervener No. One, have been established on a system-wide basis without distinction as to locality, apart from a few isolated classifications and with the exception of a limited number of prevailing-rate employees who are paid local prevailing rates.

The Applicant submits that the proposed unit is appropriate inasmuch as it comprises all the employees in the craft and technical group within a well-defined separate divisional unit. It contends that the wishes of the majority of employees in that unit as signified by their membership in the Applicant organization should be accepted by the Board as the paramount and decisive factor in determining the appropriateness of the unit for collective bargaining at this time. It submits that there exists a lack of communications between employees of the Quebec Division and employees in other divisions in matters of collective bargaining, which warrants the establishment of the separate bargaining unit proposed by it.

The Respondent and the Interveners oppose the Application on the ground that the proposed unit is not an appropriate unit for collective bargaining. It is pointed out that this Board in 1953 found a system-wide unit comprised of employees in the classifications included in the Applicant's proposed unit to be the appropriate unit for collective bargaining and that other system-wide craft and technical units of employees of the Respondent engaged in the production and broadcasting of radio and T.V. programs also were found by the Board in 1953 and 1954 to be the appropriate units for collective bargaining. These in-

cluded the system-wide unit for which Intervener No. 3 was certified as bargaining agent and the system-wide unit for which the American Newspaper Guild was certified as bargaining agent by the Board. The whole system of collective bargaining carried on between the Respondent and its employees who are subject to the provisions of the Industrial Relations and Disputes Investigation Act has been developed and carried on on a system-wide basis stemming from these decisions of the Board.

The Interveners represented at the hearing submit that this system has operated satisfactorily to best serve and protect the interests of the employees in these units. They contend that a decision taken to permit the fragmentation of the system-wide unit so established, as proposed by the Applicant, would be detrimental to orderly and effective collective bargaining and would not serve the best interests of the employees as a whole across the CBC system. It is suggested that such a decision would establish a precedent and pattern leading to fragmentation of the other well-established system-wide bargaining units of production employees of the Respondent, which would be highly undesirable.

The parties opposing the Application submit that where collective bargaining practice has been so well established and accepted generally as satisfactory, the Board should not approve departures from such practice without strong and compelling reasons for doing so. They submit that no such reasons have been advanced by the Applicant.

The Respondent states that it does not recognize the existence of any problems with respect to the group of employees in the Quebec Division in the proposed unit that are manifestly different from the problems of other employees in the same classifications elsewhere in its system nor any problems in the collective bargaining relationship that cannot be adequately handled under the present system of bargaining. The Respondent is not aware of any problems in respect of communications between employees in the Quebec Division and other employees in the present system-wide unit that are peculiar to this production group as distinguished from other production groups in other established bargaining units. Respondent submits that whatever the difficulties of the employees in the proposed unit may be in relation to their present bargaining agent, the solution thereof does not lie in the fragmentation of the present bargaining unit. In the view of the Respondent, such course of action would raise new and increased problems for the Respondent

affecting its operations without necessarily serving the interests of the employees.

The views of the Board with respect to the subdivision of established system-wide craft and technical units of employees have been set forth in the Reasons for Judgment issued by the Board in the case of *Brotherhood of Locomotive Firemen and Enginemen and Canadian Pacific Railway Company* reported as Case 16023, *Canadian Labour Law Reporter*, Transfer Binder 1949-54 as follows:

The Board is of opinion that ordinarily it is not conducive to the establishment of stable labour relations or orderly collective bargaining negotiations to subdivide a well-established craft unit of employees of an employer found to be an appropriate unit by the Board into several units consisting of the same craft group of employees. Consequently in any particular case where it is sought to do this convincing grounds for doing so should be established.

This opinion is pertinent in the consideration of the present application.

The Board does not consider that the Applicant has put forward in evidence or argument grounds upon which the Board would be warranted in finding that the proposed unit is appropriate for collective bargaining in the existing circumstances. The weight of evidence and argument leads to the contrary conclusion.

It appears to the Board that the present application, as well as the earlier application for certification by Intervener No. Two, emanates primarily from the dissatisfaction of a substantial number of employees in both Montreal and Toronto production centres, who are within the system-wide unit, with the service provided to them as their bargaining agent by Intervener No. One through its senior officers and officials in Canada rather than from a dissatisfaction with the present method of bargaining on a system-wide basis.

Without expressing any opinion as to whether this evident dissatisfaction is well founded or otherwise, the Board is of opinion that the course of remedial action therefor does not lie in the direction pursued by the Applicant in the Application in seeking to subdivide the established bargaining unit as proposed. On the other hand, it is only fair to say that the Board has been unfavourably impressed by the seemingly self-protective rather than constructive attitude displayed by the management of Intervener No. One in relation to the situation



which has given rise to this and the earlier application for certification.

In the circumstances of the present case, the Board finds that the proposed unit of employees is not separately appropriate for collective bargaining. The Application is rejected accordingly.

(Sgd.) A. H. Brown,  
Chairman, for the Board

Dated at Ottawa, January 12, 1966.

### Dissenting Opinion of Mr. Gérard Picard (Translation)

I cannot concur in the decision rendered by the Board in this matter of the Canadian Broadcasting Corporation. Here are the reasons for my dissenting opinion. They concern the bargaining unit requested by the *Syndicat Général du Cinéma et de la Télévision* (CNTU). The Board came to the conclusion that this unit is not appropriate and I am of the opposite opinion, subject to the exclusion of one employee: the female script assistant attached to the CBC's International Service in Montreal.

In Exhibit A-16, filed by the Union, after having been identified by the official representative of the CBC, and entitled *Canadian Broadcasting Corporation—Annual Report for the Year 1964-65*, it is noted, in summing up, that the Corporation includes four (4) major operational units, as follows:

- 1) Toronto Division
- 2) Quebec Division
- 3) Regional Division
- 4) International Service

These major units are distinct from the two major networks proper (the English network and the French network) and they are also distinct from the CBC stations, and from the affiliated stations which said major units feed into. These units are production units. At the units' locations there are, quite understandably, CBC stations which constitute these production units.

The Quebec production unit, or the Quebec Division, is very poorly identified, in English, by the bizarre name "The French Network Broadcasting Division." This leads to confusion. One could conclude that it refers to the French network, whereas such is not the case at all.

As for television, the Quebec Division includes the production stations situated in the province of Quebec. These stations are CBFT and CBMT, in Montreal, and CBVT, in Quebec City.

In the case before us, the employees concerned in the application for certification of the CNTU union form part of a Canadian unit and are represented by the International Alliance of Theatrical Stage Employees and Moving Picture Machine Operators of the United States and Canada (whose identifying initials are IATSE). This IATSE unit is a recent creation, since its formation goes back only as far as 1953. Moreover, at its inception, it included Montreal and Toronto only. It expanded gradually across Canada, with the expansion of the Canadian Broadcasting Corporation.

Certain points are not contested in the case of the CNTU union. It is a union within the meaning of the Act; it presented its application within the legal time limit; the employees it wishes to represent are employees as defined by the Act; the CNTU union has the majority of them among its members in good standing. The only question in dispute concerns the bargaining unit.

When employees are grouped into a Canadian unit and are represented by a union (in this case the IATSE), can they, if they so desire, form separate units, on the condition, naturally, that it is a matter of appropriate units; or should they, as a general rule, wait until the majority of the Canadian units are in agreement on a shift of union allegiance? This question seems to me to be of prime importance.

Without setting forth an absolute principle, the Board gave a reply to this question, limiting the reply to the present CBC case; but the reply does not satisfy me.

The federal Industrial Relations and Disputes Investigation Act, an Act which the Canada Labour Relations Board has the responsibility of administering, deals with bargaining units mainly in Sections 2(3) and 9(1).

Here are the texts:

*Section 2(3)* For the purposes of this Act, a "unit" means a group of employees and "appropriate for collective bargaining" with reference to a unit, means a unit that is appropriate for such purposes whether it be an employer unit, craft unit, technical unit, plant unit, or any other unit and whether or not the employees therein are employed by one or more employer.

*Section 9(1)* Where a trade union makes application for certification under this Act as bargaining agent of employees in a unit, the Board shall determine whether the unit in respect of which the application is made is

appropriate for collective bargaining and the Board may, before certification, if it deems it appropriate to do so, include additional employees in, or exclude employees from, the unit, and shall take such steps as it deems appropriate to determine the wishes of the employees in the unit as to the selection of a bargaining agent to act on their behalf.

It will be noted that the legislator, in the definition of the *unit* did not consider it appropriate to speak expressly of a national unit or of a Canadian unit, which does not mean that a national unit, or a Canadian unit, could not be appropriate; but it could mean that, from the legal point of view, a large unit has no more importance than a small bargaining unit.

Section 9 (1) quoted above gives, quite evidently, a certain discretionary power to the Board. But law and jurisprudence fix limits for the exercise of discretionary powers. Decisions arising therefrom must not become arbitrary, or be a source of denial of justice.

It is easily understandable, in the case before us, that the Canadian Broadcasting Corporation has shown a preference for Canadian units, and that the Corporation could find that profitable in the field of collective bargaining, as well as in the field of application of collective agreements. There exist, however, some local collective agreements with the CBC. The Corporation, in my opinion, goes too far when it takes upon itself the right to speak for employees and in favour of their interests. Unions such as ARTEC, NABET and IATSE have set forth before the Board the advantages that they, the unions, see in the continuation of the Canadian units which they represent with regard to the Canadian Broadcasting Corporation; and we have all thoroughly understood their point of view.

On the other hand, it is generally known that the two cultures which the Canadian Broadcasting Corporation has the responsibility to promote, and protect, have not always been hand in hand within IATSE, to whose case the Board has recently devoted several sessions of study. There is even evidence that IATSE is a non-existent union in Montreal.

What strikes me particularly, and displeases me personally, in the matter of the Board's decision, is that most of the Montreal and Quebec employees, grouped in the bargaining unit claimed by the CNTU union—after having made their choice and having freely exercised their right of association (a fundamental



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principle of the law)—would find themselves obliged to return to IATSE, an organization with which they want no further dealings.

For my part, I consider that the bargaining unit claimed by the CNTU un-

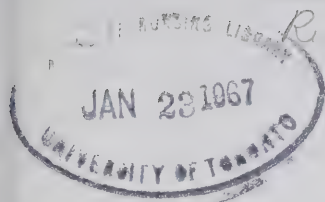
ion is an appropriate unit with the reservation expressed at the outset regarding one of the female script assistants. And, in accordance with the rule applied in similar cases, I would have favoured the taking of a secret vote among the em-

ployees of the unit, to clarify the situation once and for all.

(Sgd.) *Gérard Picard*  
Member of the Board

Dated at Ottawa, January 14, 1966.





No. 4, 1966

# CONCILIATION BOARD REPORTS

Report of Board of Conciliation and Investigation established to deal with dispute between

Air Canada  
and  
Canadian Air Line Pilots' Association

Ottawa Valley Television Company Limited (CHOV-TV, Pembroke)  
and  
National Association of Broadcast Employees and Technicians

Canadian Pacific Air Lines  
and  
Canadian Air Line Flight Attendants' Association

A LABOUR GAZETTE SUPPLEMENT



CANADA DEPARTMENT OF LABOUR

Hon. John R. Nicholson, Minister

George V. Haythorne, Deputy Minister



## CONCILIATION BOARD REPORTS

Report of Board of Conciliation and Investigation established to deal with dispute between

Air Canada  
and  
Canadian Air Line Pilots' Association

The Board of Conciliation and Investigation established to deal with a dispute between the Canadian Air Line Pilots' Association and Air Canada was under the chairmanship of W.H. Dickie of Toronto. He was appointed by the Minister on the joint recommendation of the other two members of the Board, H. M. Sparks and Stanley Hartt, both of Montreal, who were previously appointed on the nomination of the company and union, respectively.

The terms of settlement have been ratified; they provide for, among other matters, a  $7\frac{1}{2}$ -per-cent payment retroactive to October 1, 1965; a  $7\frac{1}{2}$ -per-cent increase effective February 1, 1966 and a  $5\frac{1}{2}$ -per-cent increase effective February 1, 1967. The agreement will run for 30 months from October 1, 1965.

The report of the Board was unanimous.

The Board of Conciliation consisting of H.M. Sparks, Company Nominee; Stanley Hartt, Union Nominee; and W.H. Dickie, Chairman, met with the parties at Montreal on December 2, 3, 14, 15, 16 and 23, 1965 and again on January 7, 8, 9, 12 and 13, 1966.

Appearing for the company were: Mr. Charles Eyre, Director of Industrial Relations; Capt. J.L. Rood, Director Flight Operations; Capt. John Wild, Director Flight Operations; Capt. Kent J. Davis, Director Flight Operations; Capt. Wm. R. Bell, Director Flight Operations; Capt. J. Jones, Director Flight Operations; and Mr. N.A. Radford, Manager, Labour Relations.

Appearing for the union were: Mr. Cleve Kidd, Exec. Vice President, Chairman; Capt. L.J. Greenlaw, Air Canada MEC Chairman; Capt. J.H. Foy, Committee Member (Toronto); Capt. I.A. March, Committee Member (Montreal); Capt. O.E. Taite, Committee Member (Calgary); and F/O G.D. Richardson, Committee Member (Montreal).

#### Issues in Dispute:

1. Salaries
2. Minimum Monthly Guarantee
3. Removal from Block
4. Right to Split Sequences
5. Pay Protection When Drafted
6. Double Pay and Credits When Drafted
7. Minimum Pay--Extension of one-hour guarantee
8. Pay Protection Against Substitution
9. Supervisory Flying
10. Minimum Guarantee--Training
11. Meal Allowances
12. Flight Time Limitation
13. Duty Time Limitation--Night Hours
14. Duty Time Limitation--Number of Landings
15. Deduction of Pre-Flight Reporting Time
16. Off-Duty Rest Period Prior to More than 8-Hour Duty Period
17. Deadheading Limit Following Duty

18. Duty Limitation--Insufficient Notice
19. Special Flight Time and Pay Credits (Duty Rigs)
20. Deadhead Pay for all Deadheading
21. Equipment Seniority Rights--New Pilots
22. Promotion to Captain on Promotional Equipment
23. Period of Probation
24. Payment of Mutual Aid Following DOT Medical Clearance
25. System Board of Adjustment
26. Statutory Holidays
27. Rand Formula
28. Pass Priorities for Deadheading
29. Ferry Flights--Invalid Certificate of Airworthiness

We are pleased to report that a settlement of this dispute was reached and has been ratified by the Pilots' Association. Some of the highlights of the settlement are as follows:

Effective Date and Duration: October 1, 1965--30 months.

Wage Increases: Cents per hour or per-cent increase: (Include significant hourly rates or yields as may be appropriate) October 1, 1965 to January 31, 1966--Retroactive payment,  $7\frac{1}{2}\%$  of gross earnings.

Effective: February 1, 1966 to January 31, 1967-- $7\frac{1}{2}\%$  general increase; February 1, 1967 to March 31, 1968-- $5\frac{1}{2}\%$  general increase.

Fringe Benefit Provisions--Vacations, Holidays, Sick Leave, Severance, Insurance, Pension, etc.; (Include increases and/or new totals, as may be appropriate). Meal Allowances: were increased to \$7.00 per day, previously: Canada--\$5.00, U.S.A.--\$5.25. Vacations--Four weeks' vacation after 20 years (Prev. 25). Group Life Insurance--Company will pay 50% of premium (Prev.  $7\frac{1}{2}\%$ ).

Working Conditions--Hours, on duty and service limitations; Duty rigs and significant guarantees; Special Training, Job freeze and complement provisions:

(a) Minimum guarantee--Effective February 1, 1966--65-hour minimum monthly guarantee (Prev. 60). Effective: February 1, 1967--67-hour minimum monthly guarantee.

(b) Duty Rigs--Changes were made regarding the application of duty period guarantee.



(Sgd.) W. H. Dickie, Chairman.

(Sgd.) H. M. Sparks, Member.

(Sgd.) Stanley Hartt, Member.

Report of Board of Conciliation and Investigation established to deal with dispute between

Ottawa Valley Television Company Limited (CHOV-TV, Pembroke)  
and  
National Association of Broadcast Employees and Technicians

The Board of Conciliation and Investigation established to deal with a dispute between Ottawa Valley Television Company Limited (CHOV-TV, Pembroke) and National Association of Broadcast Employees and Technicians was under the chairmanship of Dr. Donat Pharand of Ottawa. He was appointed by the Minister on the joint recommendation of the other two members of the Board, E. Leslie Smith of Pembroke and Miller Stewart of Toronto, nominees of the company and union, respectively.

The report of the Board was unanimous.

SUMMARY OF FACTS AND PROCEEDINGS

Certification--On August 6, 1965, the bargaining agent was certified to act as such on behalf of the technical employees of the employer.

Negotiation on contract proposals--On August 26, contract proposals were submitted by the bargaining agent to the employer and discussions were commenced. Negotiating sessions were held on September 13 and October 12. However, in the words of the bargaining agent, "the negotiations at this stage reached an impasse when the union indicated that it could not sign an agreement which did not provide for a five-day week." (See written submission of Mr. Steel for Bargaining Agent.)

Meeting with conciliation officer--On October 14, Mr. T. Bruce McRae was appointed as conciliation officer and he met with the parties on November 16. He was unable to effect a settlement and it appears from his report of December 1 that the two main points in dispute were the question of "work-week and days off" and that of "union security".

Appointment of conciliation board--At the request of the bargaining agent and on the recommendation of the conciliation officer, this conciliation board was appointed by the Minister of Labour to "endeavour to effect agreement between the parties on the matters on which they have not agreed".

Hearing by conciliation board--The conciliation board held its hearing on Thursday, January 13, at the Court House, in Ottawa. The bargaining agent was represented by Mr. Kenneth A. Steel and the employer was represented by its President and General Manager, Mr. E. G. Archibald, as well as by its solicitor, Mr. W. T. Hollinger.

Written submission of bargaining agent--Mr. Steel presented a written submission to the Board, which he read and on which he commented. The submission stated the following matters as remaining unresolved:

1. Wages and classifications
2. Work-week and days off
3. Union security
4. Seniority
5. Call-back

6. Posting of schedules
7. Night-shift differential
8. Sick leave
9. Jurisdiction
10. Duties of employees

The part of the submission dealing specifically with the above matters is reproduced hereunder.

The wages paid at CHOV are well below the average wages paid at radio and TV stations that are organized in Canada. The 5-day week is a standard in every NABET contract and it is so recognized as the standard rule by the Federal Department of Labour as indicated in the Canada Labour Code. Union security, seniority rights, classifications and jurisdiction are the basic ingredients and the heart of any union contract. Without these very essential articles a contract is rendered practically useless in its endeavour to protect the union members that NABET represents. Call-back, posting of schedules and night-shift differential articles are designated to give an employee reasonable notification of work schedules and proper compensation for unusual shifts. An employee in this industry realizes the difficulties of scheduling at odd hours; however, he still likes to maintain a certain level of recreational and social life in the community. Sick leave differs at various TV stations; however, it is considered a standard clause in all union contracts. Any company that has the welfare of its employees in mind maintains some kind of sick or accident benefit protection in the event an employee requires time off through no fault of his own.

The National Association of Broadcast Employees and Technicians desire a settlement of our dispute with CHOV-TV; however, we will not sign an agreement that does not maintain the basic principles and ingredients of a labour contract in the television industry in Canada. All we ask is a just and reasonable settlement so that our members can live in a decent fashion in the Canada of today.

Documents submitted by bargaining agent--Mr. Steel submitted also to the Board the following documents:

1. "Contract proposals" in the form of a draft agreement to be signed by the bargaining agent and the employer.
2. Two sample "agreements" entered into by the

bargaining agent: one with CHCT-TV in Calgary, and the other with CKCO-TV Kitchener.

3. List of wages and classifications, night differential, turn around periods, paid holidays, vacations and sick benefits.

Oral submission by employer--Both Mr. Archibald and Mr. Hollinger made comments and oral submissions to the Board. These were to the effect that, while they agreed with the principle of a five-day work-week, they could not implement such a principle in the present financial position of the employer. The latter has been operating at a loss since its creation some four years ago and the implementation of the five-day work-week would mean hiring two or three more employees.

Intended application for decertification--Mr. Hollinger showed the Board copy of a letter, dated January 6, 1966, addressed to the Director of Industrial Relations, in which he states that the bargaining agent no longer represents a majority of employees in the unit for which it was certified and that he intends to apply for revocation of certification.

Examination of matters in dispute--The Board examined with the parties the various matters listed by the bargaining agent as being still in dispute.

1. Wages and Classifications: The wage schedule proposed by the bargaining agent is the one in force at the CKLW station in Windsor. It is not acceptable to the employer, but Mr. Steel stated that the schedule was negotiable. The classification of employees is not really in dispute since the certification covers only two classifications in that unit: maintenance technicians and production operators.

2. Work-week and Days Off: This was the subject of a long discussion and the parties simply reiterated their previous stand outlined above.

3. Union Security: Mr. Steel insisted on a 'Rand formula' type of provision whereas Mr. Archibald felt that his group of employees was even too small to have a union at all.

4. Seniority: No dispute.

5. Call-back: No dispute; it seldom occurs.

6. Posting of Schedules: No dispute; being done already.

7. Night-Shift Differential: No real problem; employees who work after midnight seldom work beyond 2 a.m.

8. Sick Leave: This was the subject of considerable discussion during which Mr. Archibald stated that he had never deducted money for sick absences. He objected particularly to the sick leave being "cumulative from year to year." Mr. Steel said the union was ready to negotiate on the proposed clause.

9. Jurisdiction: The employer representatives felt that this detailed clause could not be implemented in a small television station.

10. Duties of Employees: This long clause containing "job specification" was also felt to be suitable for large television stations only.

Two suggestions by bargaining agent--When asked by the Board for avenues which could be explored in order to arrive at a compromise settlement, Mr. Steel made two suggestions.

The first suggestion was that the books or financial records of the employer be opened for examination by an auditor appointed by the bargaining agent. The employer readily consented to this request and stated that the bargaining agent's representative could contact its auditors, Milne, Honeywell & Burpee, chartered accountants in Ottawa, in order to get the information required.

The second suggestion was that the employer agree to a five-day work week of 40 hours, but subject to scheduling and averaging. Considerable time was spent on examining the Canada Labour Code Regulations of June 25, 1965, relative to the question of averaging the hours of work. Mr. Archibald stated that his company needed a longer period that 13 weeks within which to average the hours of work of its small group of employees.

Opportunity for further submissions--At the end of the hearing the Board gave the parties eight days, that is until January 21, within which to make further submissions. The Board also requested the employer to send a written summary of its position.

Written submission of employer--On January 17, the employer's solicitor, Mr. Hollinger, sent a written submission confirming the employer's stand that it could not agree to the proposed contract so long as it was losing money and that, in any event, the contract was unsuitable for a small television station like CHOV-TV. Having referred to the various negotiation meetings, Mr. Hollinger continued as follows:

Throughout these negotiating meetings and before the Board, the company clearly indicated that as long as it was losing money it could not enter into any contract that would put it further into debt. Due to the small listening audience and its fringe geographical location it would be difficult to forecast a profit for the company.

In any event the union does not represent a majority of the bargaining unit so certified. Further, the contract submitted by the union is entirely unsuitable for a television station the size of CHOV-TV.

It is our submission that for the above-noted reasons the unionization of this television station is premature.

Examination of financial records not made--On January 21, the bargaining agent's representative informed the Board that his attorneys had been too busy to examine the financial records of the employer during that week and asked the Board to make its report on the submissions already made.

## FINDINGS AND RECOMMENDATIONS

### Findings

The main point at issue is the five-day work-week, which is insisted upon by the bargaining agent and which the employer considers absolutely impossible to implement in its present financial position.

The employer is in a difficult financial position as stated by its representatives before the Board and evidenced by a letter from the employer's auditors.

The small number (9) of employees makes some of the proposed clauses unworkable, in particular those relating to jurisdiction and duties of employees.

The small number of employees and the nature of the employment make it very difficult to average adequately the hours of work within the period of 13 consecutive weeks permitted by the Canada Labour Code Regulations.

## RECOMMENDATIONS

That the bargaining agent examine the financial records of the employer as already consented to by the latter.



That the bargaining agent and the employer make a further attempt to negotiate a short-term collective agreement.

That, since the employer was prohibited by law (Sec. 14(b) of the Industrial Relations and Disputes Investigation Act) from altering any term of employment but stated at the hearing that some of the employees were deserving of an increase, it pay a cost-of-living bonus of 5 per cent of the present wages to the employees covered by the certification and still in its employ.

That the employer average the hours of work of its employees over a period of 13 consecutive weeks, as permitted by Section 4 of the Canada Labour Code Regulations and as provided therein, and notify the Director of Labour Standards in accordance with Section 6 of the Regulations.

That, if an agreement is negotiated and adequate average within a period of 13 consecutive weeks is found to be impossible, the employer make application to the Minister under Section 5(1) of the Regulations for a permit enabling it to average the hours over a longer period than 13 weeks.

This report is unanimous and the other Board members have authorized me to sign it on behalf of the Board. They have signed separately the Findings and Recommendations.

(Sgd.) Donat Pharand,  
Chairman.

Signed at Ottawa this 14th day of February, 1966.  
Findings and Recommendations signed by Miller Stewart and E. L. Smith, Members.

#### Report of Board of Conciliation and Investigation established to deal with dispute between

Canadian Pacific Air Lines  
and  
Canadian Air Line Flight Attendants' Association

The Board of Conciliation and Investigation established to deal with a dispute between the Canadian Air Line Flight Attendants' Association and Canadian Pacific Air Lines, Limited, Vancouver, B.C., was under the chairmanship of George W. Rogers of Vancouver. He was appointed by the Minister in the absence of a joint recommendation from the other two members of the Board, R.A. Mahoney and Katherine Heller, both of Vancouver, nominees of the company and union, respectively.

Each member of the Board contributed separately to the report.

Hearings were held in Vancouver, B.C., on January 10, 1966 and the Board itself met on later occasions; the Chairman met representatives of the parties individually a number of times.

Appearing for the Association: Messrs. R. Smeale and A. Jordan, Misses N. Youngman and P. Young.

Appearing for the Company: Messrs. G. Fenby, D. Hewitt, A. Andrew, D. Fawcett and G. Witt.

Detailed briefs and exhibits were submitted by the parties outlining the following items in dispute:

(a) "Flight Attendants will be guaranteed one (1) hour's pay and flight time credit for each four (4) hours of trip time prorated, trip time to be calculated from the time a flight attendant is required to report to the airport at his home base prior to operating a flight to the time he is released from duty fifteen (15) minutes after arrival at his home base for legal rest."

(b) "Increase all rates 3 per cent, effective May 1, 1965 with a further increase of 3 per cent effective May 1, 1966."

(c) Amend Article 5(9) of the existing agreement to read: "A flight attendant may be required to remain with passengers at intermediate stations, lay-over terminals, or base stations in excess of the normal scheduled ground time. In such cases, the flight attendant shall be granted credit for pay purposes only of one-half of his flight pay for each additional hour required to remain on duty."

(d) General Holidays.

I regret my inability to agree with either of my colleagues and consequently am submitting an independent report.

I trust that the parties will consider the following as a basis of settlement of their dispute:

Item (a). I can certainly agree with the Association that the introduction of faster equipment has brought about a deterioration in the working conditions of the flight attendants as the exhibits submitted point to a reduced number of days off duty at home base even between 1964 and 1965. I believe that a "duty rig" would be an obvious means of improving this situation but must bear in mind that "utilization" is an important cost factor to the company. Accordingly I propose--

(1) A "duty rig" bases on a "1 in 5" concept throughout the system, with--

(2) "Utilization" amended to provide for--two summer quarters of 255 hours each, and two winter quarters of 225 hours each.

(3) Maintenance of the present hourly rate of pay plus the increases shown in (b) following. By the present hourly rate I mean the rate now in use with the winter quarters of 225 hours and summer quarters of 240 hours.

Item (b). All rates increased 3 per cent effective May 1, 1965, with a further 3 per cent effective May 1, 1966.

Item (c). I recommend that Article 5(9) of the existing agreement be amended to provide that the benefit now limited to "overseas operations" be extended to cover all scheduled operations.

Item (d). I believe that the question of general holidays should be referred to the Minister of Labour for a ruling, and understand this has been done.

Naturally I would like the parties to accept the above as a basis of settlement but if this is not possible I would recommend that they resume direct negotiations.

Respectfully submitted,

(Sgd.) George W. Rogers,  
Chairman.

#### REPORT OF R. A. MAHONEY

The Board of Conciliation appointed in the above dispute has been unable to arrive at a major position and I beg to submit the following report as a member of the said Board.

For the sake of brevity and to avoid duplication of the information provided to you by the Chairman, Mr. George W. Rogers, I will set forth my recommendations in this matter:

1. That the effective date of the wage increases agreed to by the parties be a matter of further discussion between them.

2. That the question of general holidays be determined by the parties hereto agreeing to the interpretation as provided by the Minister of Labour.

3. With respect to Article V(9) I recommend that it be amended by deleting the words in the second sentence "on overseas operations" and substituting therefor the words "on all scheduled operations".

4. Every flight attendant holding a composite overseas block bid on a quarterly basis shall be guaranteed forty-two 24-hour periods at domicile in such quarter. It is anticipated that this will be achieved at no significant loss in existing take-home pay. This arrangement is to be instituted in the first complete quarterly blocking which takes place after agreement is reached.

It is further recommended that a duty rig of one in four shall apply to domestic operations only. The term "domestic operations" means those flights which commence and terminate within Canada.

Respectfully submitted,

(Sgd.) R. A. Mahoney,  
Member.

#### REPORT OF KATHERINE HELLER

As a member of the Board of Conciliation appointed to hear the above dispute, I hereby submit my report on the issues referred to the Board.

The Board was unable to reach agreement on the principal issue of dispute, namely, the amount of flight time credit for hours spent away from home.

Although agreement was reached on the matter of granting a one-in-four duty-rig provision for domestic flights, this member must dissent from the recommendations put forth by both the company nominee and the Chairman on the matter of flight credit for composite overseas blocks. The report of the company nominee recommends that every flight attendant holding a composite overseas block bid on a quarterly basis be granted forty-two 24-hour off-duty periods at domicile in such quarter. These are to be divided

as equally as possible into 14 periods a month. It is further recommended that this plan be introduced at no significant loss in existing take-home pay.

This recommendation represents in the majority of cases no appreciable improvement in time off at home over the existing situation. According to the company's own exhibit, this would mean an average quarterly increase of only 2.5 twenty-four-hour off-duty periods for the stewardess composite and a substantial decrease in the number of off-duty periods at domicile for the purser composite. Moreover, such a clause would still not match the number of 24-hour off-duty periods at domicile which the flight attendants enjoyed in 1964 when they averaged 14 calendar days (midnight to midnight) off duty at home base per month.

This provision would also interfere with the seniority principle of the block system. This principle provides senior attendants with a certain freedom of choice in selecting their monthly or quarterly schedules in accordance with their individual needs. A provision for forty-two 24-hour off-duty periods per quarter for all flight attendants with composite overseas blocks would severely limit the present choice of block schedules. In effect, while several of the very junior flight attendants would gain a few additional benefits, the large majority of senior flight attendants would be penalized.

I strongly recommend that a settlement be made on the basis of a "one in four" duty rig. Such a provision would award a flight attendant one hour of flight time credit for every four hours spent away from home. This provision, or variations thereof, is an industry-wide practice which is recognized in almost every agreement signed by American airline companies and, indeed, is recognized also in the Pilots' Agreement with C. P. A. The fact that C. P. A. pilots have such a provision while the flight attendants do not means that on the South Pacific route, the pilots receive 78 flight time credit hours while the flight attendants receive a credit of only 33 flight hours for the same trip.

I share the opinion of a 1959 conciliation board report appointed to hear this identical issue. They recommended that Trans-Canada Airlines pilots were entitled to flight time credits for hours spent away from home since: "During all the waiting period the pilot is away from his base, he remains at the entire disposal of the company for indefinite periods. He takes all the risks for those periods."

Since rapid speed jet service requires flight attendants to complete many more flights to achieve their maximum salary and since they are then required to spend more time away from home than previously, I am of the opinion that they justly deserve recognition of and adequate compensation for this additional time spent in the service of the company.

I would recommend that a "one-in-four" duty rig be incorporated into the block system for the next scheduling period after this dispute has been resolved.

#### Wage Increases

It is my understanding that the parties have mutually agreed to an annual 3-per-cent wage increase for all flight attendants on the basis of a two-year agreement effective May 1, 1965 to May 1, 1967. Since negotiations over new contract provisions have been prolonged in this dispute, it is not reasonable to penalize the flight attendants by introducing the first 3-per-cent increase only after the new contract has been signed. Such a delay would largely eliminate the benefits of the first 3-per-cent wage increase. It is my



opinion, therefore, that the first annual 3-per-cent wage increase must be made retroactive to May 1, 1965.

Extension of Article 5(9) to cover payment of ground duty time after the scheduled ground duty has expired. Disagreement over this provision did not appear to be substantial and I would recommend that the two parties settle this

matter between themselves after agreement has been reached on the major issues in dispute.

Respectfully submitted,

(Sgd.) Katherine Heller,  
Member.

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# CONCILIATION BOARD REPORTS together with CLRB REASONS FOR JUDGMENT



## **Conciliation Board Reports in disputes between**

British Columbia Television Broadcasting System Ltd. and International Alliance of Theatrical Stage Employees

Canadian Arsenal Limited, Long Branch, Ont., and United Steelworkers of America

The Shipping Federation of Canada, Inc. and International Longshoremen's Association

The St. Lawrence Seaway Authority and Canadian Brotherhood of Railway, Transport and General Workers

Air Canada and Trans-Canada Air Lines Sales Employees' Association

## **Reasons for Judgment in application affecting**

Locals 362 and 979 of the International Brotherhood of Teamsters and Midland Superior Express Limited

Local 979 of the International Brotherhood of Teamsters and Arrow Transit Lines Limited

**A LABOUR GAZETTE SUPPLEMENT**



**CANADA DEPARTMENT OF LABOUR**

Hon. John R. Nicholson, Minister

George V. Haythorne, Deputy Minister





## CONCILIATION BOARD REPORTS

Report of Board of Conciliation and Investigation established to deal with dispute between

British Columbia Television Broadcasting System Ltd.  
and  
International Alliance of Theatrical Stage Employees

The Board of Conciliation and Investigation established to deal with a dispute between British Columbia Television Broadcasting System Ltd., Vancouver, B.C., and the International Alliance of Theatrical Stage Employees and Moving Picture Machine Operators of the United States and Canada was under the chairmanship of B.W. Dysart of Victoria, B.C. He was appointed by the Minister on the joint recommendation of the other two members of the Board, Gordon L. Carter of Calgary and W.H. Deverell of Vancouver, who were previously appointed on the nomination of the company and union, respectively.

The report of the chairman and Mr. Deverell constitutes the report of the Board. A minority report was made by Mr. Carter. The reports were received by the Minister of Labour in May.

This was a Board of Conciliation and Investigation appointed to endeavour to bring about agreement between the parties on matters on which they have not agreed.

Both parties agreed that the Board was properly constituted and had jurisdiction to hear the issues in dispute and make a report of its findings and recommendations.

The Board met in Vancouver on April 6, 14, 21 and 22, 1966 to hear the parties and deliberate.

The Board recommends:

1. That a collective agreement be entered into for a period of one year effective date April 1, 1966 to and including March 31, 1967 in the same form as the agreement proposed by the union (Appendix I) with the exception of the following recommended changes.

2. That Article 5(2) of the proposed agreement be amended by adding the words "where possible" after the words "days off" in the first line.

3. Article 8(1) be amended by substituting the words "Boxing Day" for the words "Easter Monday".

4. Article 15 be amended by substituting the words "fifteen cents an hour" for the word "10%".

5. Article 16(2) be amended by adding the words "where possible" after the words "August 31st".

6. Article 17 be amended by changing the "six (6)" in the second line to the word "three (3)".

7. Article 20 - delete Article 20 and substitute the following:

"When lay-offs of employees are to be made, the Company shall determine what jobs are to be left vacant or abolished and the number of employees to be laid off where employees are to be laid off, such lay-offs shall proceed in inverse order of Company seniority at the point involved, provided that no employee is to be displaced by a person with more Company seniority unless the latter possesses the occupational qualifications of the job filled by the employee with less seniority."

8. Article 25(2) be amended by adding the following "if

the employee is relieved from jury duty prior to the termination of the first four hours of his tour of duty, he shall report for work".

9. Article 28(1) be amended by deleting "minimum wages" under the columns: 5 years, 6 years and 7 years for all categories of employees.

Article 28(5) be deleted and the following article substituted: "Employees shall be paid semi monthly".

Article 28(7) be amended by changing the words "March 23rd, 1965" to read "April 1st, 1966".

10. Article 32(1) be amended by adding after the word "premises" in the second line the words "for a reasonable length of time".

The Board recognizes that problems of jurisdiction exist as between the company and the International Alliance of Theatrical Stage Employees and Moving Picture Machine Operators of the United States and Canada and the National Association of Broadcast Employees and Technicians, and the Board strongly recommends to the company and the International Alliance of Theatrical Stage Employees and Moving Picture Machine Operators of the United States and Canada that they make all reasonable efforts to negotiate with the National Association of Broadcast Employees and Technicians in an attempt to solve these problems, if possible as suggested by the International Alliance of Theatrical Stage Employees and Moving Picture Machine Operators of the United States and Canada pursuant to Article 27 of the proposed agreement (Appendix I).

Dated at Vancouver, B.C.,  
April 22, 1966.

(Sgd.) E.W. Dysart,  
Chairman.

(Sgd.) William Deverell,  
Member.

## MINORITY REPORT

I attended meetings in Vancouver on April 6 and again on April 14 as a member of the Conciliation Board.

The company presented considerable evidence of a most serious competitive position in the market, brought about primarily because of the American station in the area taking Canadian advertising dollars out. I have been in the broadcast industry for 21 years, and it appears obvious to me that CHAN-TV is in a most disadvantageous competitive position, unequalled by any television station in Canada.

The company presented evidence to this which was not rebutted by the union. It is my feeling that this important factor must be considered by the union when making the requirements it did in matters of vacation and wage scale.

As this company is certified for three unions, it is faced with a serious problem of jurisdiction amongst the unions and finds its position almost untenable. IATSE offered great co-operation in this area so that the station would not be faced with the jurisdictional problem, at least as far as this union is concerned. However, it was pointed out by the company that this was not the case as far as one of the other unions was concerned, and there would be, therefore, a jurisdictional problem. Therefore, the understandable reticence on the part of the company to move too quickly.

Because of the competitive situation as outlined previously, I feel the company's present wage level is entirely adequate and that the company's offers with respect to items still in dispute are reasonable.

During the meetings both parties were most co-operative.

(Sgd.) Gordon L. Carter,  
Member.

## APPENDIX I

AGREEMENT made this day of 1965

BETWEEN

BRITISH COLUMBIA TELEVISION BROADCASTING  
SYSTEM LTD., party of the first part, (hereinafter  
referred to as the Company)

AND

INTERNATIONAL ALLIANCE OF THEATRICAL  
STAGE EMPLOYES AND MOVING PICTURE MA-  
CHINE OPERATORS OF THE UNITED STATES AND  
CANADA, party of the second part, (hereinafter  
referred to as the Union)

### Introduction

It is the intent and purpose of this Agreement to recognize the community of interest between the British Columbia Television Broadcasting System Ltd., and the International Alliance of Theatrical Stage Employees in promoting the utmost co-operation between the Company and its employees, consistent with the rights of both parties. It is the further intent of this Agreement to foster a friendly spirit which shall prevail at all times between the Company and the employees and to this end this Agreement is signed in good faith by the

two parties. The Agreement is therefore designed to set forth clearly the rates of pay, hours of work and conditions of employment to be observed between the parties.

### Article One

#### Definition of Bargaining Unit

1. The Company recognizes the Union as the exclusive bargaining agent for all persons employed at CHAN-TV in the Unit defined by the Canada Labour Relations Board in its certificate issued on the 9th day of June, 1961.

2. The Company further recognizes the Union as the exclusive bargaining agent, for all persons employed at CHAN-TV within the classifications listed in Article 28 of this Agreement.

### Article Two

#### Application of the Agreement

It is the intent and purpose of the parties hereto to set forth herein the basic rates of pay, hours of work and conditions of employment to be observed between the parties hereto and to provide procedures for prompt, equitable adjustments of alleged grievances.

### Article Three

#### Definition of Employee

Subject to the provisions of Articles in this Agreement dealing with individual categories of employees, the term "employee" as used in this Agreement shall mean any person either male or female employed in a job classification included within the meaning of Article One of this Agreement.

### Article Four

#### Tour of Duty

A tour of duty shall mean the authorized and/or approved time worked by an employee during a day, (not including time worked as Call-back as specified in Article 14), calculated to the end of the last quarter hour in which work was performed.

### Article Five

#### Work Week and Days Off

1. The 40-hour work week, consisting of five days of eight hours each, shall obtain and shall commence at 12.01 a.m. Monday. The hours of work shall be exclusive of meal periods but inclusive of break periods except that when a tour of duty commences at or after 12.00 noon the hours of work shall be inclusive of meal periods and break periods.

2. There shall be two (2) consecutive days off. The Company shall make every effort to schedule the two consecutive days off on weekends where possible.

3. Two consecutive days off shall consist of a period of 48 hours plus 9 hours.

### Article Six

#### Rest Period

There shall be a 9-hour rest period between the end of one tour of duty and the beginning of the next tour of duty. Encroachment upon this rest period shall be paid for at the rate of one and one-half times the hourly rate for each hour, or part thereof, of said encroachment.

### Article Seven

#### Reduced Work Week

Any week that is broken through a paid holiday or through authorized absence (i.e., sick leave, special leave, leave without pay, leave with pay, vacation) shall be reduced by



8 hours for each day of such absence, and all work performed in excess of the work week thus reduced shall be paid for at the overtime rate in accordance with Article 11.

#### Article Eight

#### Holidays

1. The following shall be paid holidays: New Year's Day, Good Friday, Easter Monday, Victoria (Empire) Day, Thanksgiving Day, Remembrance Day and Christmas Day, Dominion Day and Labour Day, plus any day duly proclaimed by Federal, Provincial or Municipal Authority as a public holiday.

2. Work performed on a paid holiday shall be paid for at the overtime rate in accordance with Article 11.

3. If any of the above holidays fall on an employee's day off or in his vacation period then the working day immediately before or immediately after said day off or vacation period shall be treated as the holiday for pay purposes.

#### Article Nine

#### Posting of Starting Time and Days Off

The schedule of starting time and days off for each employee shall be posted not later than 5.00 p.m. Thursday of the week prior to the week in question. There shall be no change in scheduled days off after posting.

#### Article Ten

#### Change of Starting Time

1. Notice of change of starting time shall be given at least 12 hours in advance of the new starting time but not later than 5.00 p.m. on the day prior to the day in question.

2. In the event that such notice is not given then the employee shall be credited with all the hours originally scheduled plus any additional hours.

#### Article Eleven

#### Overtime

1. Work performed beyond eight (8) hours in one day shall be paid for at the rate of one and one half ( $1\frac{1}{2}$ ) times the basic rate.

2. Work performed on a day off shall be paid for at the time and one-half rate.

3. Work performed on a paid holiday shall be paid for at additional time and one-half.

4. Where the Company requires an employee to make out a time sheet, or overtime sheet, no change shall be made in this sheet, without his knowledge, after he has made it out.

#### Article Twelve

#### Travel Time and Expenses

The Company's policy on travel time and expenses shall apply to employees covered by this Agreement so that they shall receive the same recompense as persons employed by the Company outside the bargaining unit or in another bargaining unit.

#### Article Thirteen

#### Meal Periods

1. Meal periods shall be assigned of not less than 30 minutes or more than 60 minutes in duration and shall not be credited as time worked.

2. The first meal period shall fall entirely within the span of two and one-half to six hours from the beginning of the assigned work day.

(2.1) In the event of a work day extending for ten hours or more, a second meal period shall be assigned to commence not earlier than four hours after the first meal period but not later than at the conclusion of the ten-hour period.

(2.2) An employee shall be compensated for the second meal at the rate of \$1.50.

3. Except for the above mentioned meal periods all hours between the beginning of an employee's assigned work day and the conclusion of said work day shall be counted as hours worked, there shall be no split shifts.

#### Article Fourteen

#### Call-Back

1. Call-back is defined as those hours credited to an employee who, after leaving his work area, is called back to perform work between tours of duty.

2. An employee called back to work shall be credited as of the time of the call with one hour's pay at the basic rate. In addition, for actual working time the employee shall be paid at the time and one-half rate with a minimum of two hours. All time paid under this Article shall be computed separately from the work week.

#### Article Fifteen

#### Shift Differential

A night shift differential of 10% shall be paid for all hours worked between 12 midnight and 7.00 a.m.

#### Article Sixteen

#### Vacations With Pay

1. Vacations with pay shall be given annually to all employees as an earned right at the rate of one and one-quarter days for each calendar month of employment up to a maximum of 15 working days (i.e., three calendar weeks).

2. Said vacation must be given so that it falls entirely within the period of from June 1 to August 31 except where an employee specifically requests a different time and this is agreeable to both parties.

#### Article Seventeen

#### Sick Leave

An employee who is incapacitated for duty shall receive full pay during the period in which he is unable to perform his work, for a period of six (6) months, after which period the case may be reviewed by the Company and the Union. Where sick leave extends to three consecutive days the Company may require satisfactory evidence of inability to work before sick leave is paid; for absences of three days or less, the employee may be required to supply written declaration of inability to perform his work. It is agreed that an employee will submit to physical examination at the Company's request and at the Company's expense and time.

#### Article Eighteen

#### Temporary Upgrading

In the event that an employee is temporarily assigned to perform work of a higher classification than that in which he is employed (for a minimum period of one week), he shall be paid the rate of the higher classification or shall receive an additional two dollars (\$2.00) per day, whichever is the greater.

#### Article Nineteen

#### Dismissal

Dismissal of an employee shall only be for just and



sufficient cause and it is agreed that dismissal shall be subject to the grievance procedure if the employee so elects. An employee dismissed for just and sufficient cause shall be entitled to one week's notice in writing or to one week's pay in lieu of notice.

#### Article Twenty

#### Lay-Offs

When lay-offs of employees are to be made, the Company shall determine which job classifications are affected and the number of employees to be laid off. Such lay-offs shall be made on the basis of classification seniority within the job classification. An employee subject to lay-off in his present classification may, at his option, exercise his classification seniority against the employee with least seniority in any job classification in which the employee subject to lay-off has previously accrued seniority.

#### Article Twenty-One    Re-Engagement of Laid-Off Employees

1. The Company agrees to re-engage in inverse order of lay-off, as determined in Article 20, employees who have been laid off for a period of not exceeding one year provided that such employees present themselves when notified that vacancies occur. The Company agrees to provide such employees with reasonable notification.

2. No new employees will be hired in a classification affected by lay-offs until the laid-off employees have been given the opportunity of re-engagement according to Article 21(1).

#### Article Twenty-Two

#### Seniority

1. Company seniority shall be deemed to have commenced on the date of hiring and shall be equal to the length of continuous service. Such seniority shall be a factor taken into consideration in the Company's determination of vacation periods.

2. Classification seniority shall be deemed to have commenced on the date of hiring within, or transfer or promotion to, a job classification and shall continue to accrue until transfer or promotion to another job classification or separation from the Company. Such seniority shall be retained and shall relate to lay-offs and to re-engagement.

#### Article Twenty-Three

#### Existing Benefits

The Company agrees that it will not diminish or eliminate any existing privileges which the Company's employees presently enjoy but which are not specifically referred to in this Agreement, in any manner which would discriminate against employees covered by this Agreement.

#### Article Twenty-Four

#### Conferences With Management

The Company agrees to give leave of absence without pay to a reasonable number of Union members, not to exceed three, who are designated to represent employees in scheduled conferences with representatives of the Company. This to include contract negotiations and grievance meetings.

#### Article Twenty-Five

#### Special Leave

1. At the discretion of the Company, special leave, with or without pay, may be granted to employees upon request

for good and sufficient reason, and this will not reduce the seniority of the employee concerned.

2. In the event that an employee is called for jury duty the Company shall continue to pay his salary, minus the amount of any recompense he may receive from the court.

#### Article Twenty-Six

#### Medical

The Company shall continue to make the benefits of the M.S.A. group plan and the Continental Casualty Company plan available to employees with contributions to be paid 50% by the Company and 50% by the employee.

#### Article Twenty-Seven

#### Jurisdiction

1. The following duties relating to the broadcast, rehearsal and preparation of the Company's television programs shall be performed by employees as defined in Article 1 of this Agreement on premises owned and/or operated by the Company and on location.

(1.1) Build, make, decorate and repair, as assigned, and prepare mock-ups of: sets, scenery, set properties, special visual effects, costumes and graphic material.

(1.2) Arrange, set up, operate, handle, transport and keep up: wardrobe, costumes, make-up, sets scenery, set properties, set dressings, drapes, projection screens on set, titling drums, titling machines and graphic cards. Set up equipment for the accommodation of musicians, performers and audience; for example -- musical instruments, music stands, non-electro-mechanical prompting and cueing devices, chairs, tables and risers. Arrange, set up, operate, handle, transport and keep up: visual effects equipment which does not embody any electronic device; non-electronic devices seen on camera which are used; to notify performers and audience of information about the program, such as time or result, including lights integral to such devices; and lights appearing on camera which are operated on low voltage (32 volts or less) including their wiring and maintenance except that such lights shall not be operated by employees (a) when their operation is automatic and (b) when a contestant operates them "on camera". Arrange prefabricated wiring in staging and design elements except that wiring operated on more than 32 volts shall be maintained by others.

(1.3) Perform film editing; handle and operate equipment for the cutting splicing and footage measuring required in the assembly, timing, repair and disassembly of film; clean film for library purposes, and while doing any of the above, handle film in film editing rooms, libraries and, when so assigned, elsewhere.

(1.4) Handle and operate film projection equipment used in connection with film inspection and editing.

(1.5) Handle and operate the film and slide tele-cine chain.

2. The Company may assign any of the above duties to persons outside the Bargaining Unit provided that this does not cause an employee to be displaced or reduce the number of employees in the Bargaining Unit.

#### Article Twenty-Eight

#### Minimum Wages

1. The following minimum wages shall be in effect during the term of this Agreement.

(1.1) Chief Film Editor

Senior Graphic Artist

Production Film Editor



	<u>Weekly</u>	
Start - \$110.00		4 years - \$140.00
1 year - \$117.50		5 years - \$147.50
2 years - \$125.00		6 years - \$155.00
3 years - \$132.50		7 years - \$162.50

(1.2) Film Editor

Film Editor (News)  
Film & Music Librarian  
Film Editor & Telecine Operator  
Assistant Film & Music Librarian - Film Editor  
Graphic Artist  
Scenic Artist  
Carpenter  
Property Man

	<u>Weekly</u>	
Start - \$ 80.00		4 years - \$110.00
1 year - \$ 87.50		5 years - \$117.50
2 years - \$ 95.00		6 years - \$125.00
3 years - \$102.50		7 years - \$132.50

(1.3) Studio Assistant (Staging)

	<u>Weekly</u>	
Start - \$ 75.00		4 years - \$ 95.00
1 year - \$ 80.00		5 years - \$100.00
2 years - \$ 85.00		6 years - \$105.00
3 years - \$ 90.00		7 years - \$110.00

2. Employees shall be paid according to their position on the wage scale of their classification, with credit for years of service within the classification plus any credit for industry experience recognized by the Company at time of hiring.

3. Progression up the salary scale shall automatically occur on each anniversary of the employee's date of hiring or of his transfer or promotion to a higher classification.

4. When an employee is transferred to a higher classification he shall immediately progress to that step in the scale of the higher classification which is greater than his existing salary by at least the equivalent of one step in the scale of his former classification.

5. Employees shall be paid on alternate Fridays, before the first meal period, for work performed during the two week period ending at 12.00 midnight on the preceeding Sunday.

6. No employee shall receive a reduction in pay as a result of the operation of this Agreement.

7. All wage increases shall be retroactive to March 23, 1965.

Article Twenty-Nine

Grievance Procedure

1. It is mutually agreed that it is the spirit and intent of this agreement to adjust, as quickly as possible, grievances arising from the application of this agreement.

2. In the event of a dispute between any member or members of the bargaining unit and the company concerning the interpretation, application, operation or any alleged violation of this agreement by the Company or the Union, the following shall be the procedure for the adjustment and settlement thereof:

Step 1. The grievance shall be reduced to writing and a copy thereof delivered to the President of the Company or his designee or the International Union President or his designee, as the case may be, within ten (10) days of the arising of such grievance. A copy shall also be simultaneously delivered

to the employee designated by the Union as their Chairman of the Grievance Committee.

Step 2. The Grievance shall be discussed with the President of the Company or his designee and the Local Union Grievance Committee, consisting of not more than three (3) members. Such discussions will deal with grievances of which at least two (2) days' notice shall have been received. Minutes of such meetings shall be kept and read and signed by both parties at the close thereof.

Step 3. If the grievance is not settled within ten (10) days after the meeting described in Step 2, the dispute shall be discussed between the President of the Company and the International President or the designee for further consideration.

Step 4. In the event that the representatives of the Company and the Union cannot reach agreement, either party may, by registered mail within sixty (60) days of the meeting described in Step 3 submit the dispute to binding arbitration. The parties shall, within ten (10) days of the sending of the notice requesting arbitration, select a mutually acceptable arbitrator: If the parties are unable to agree on the selection of an arbitrator within these ten (10) days, the Federal Minister of Labour shall be requested to appoint the arbitrator. The cost and/or expenses of such arbitration shall be borne equally by the Company and the Union, except that no party shall be obligated to pay the cost of a stenographic transcript without express consent.

3. The arbitrator shall not have the power to change, modify, extend or amend the provisions of this Agreement or to award costs against either party, but he shall have the power to direct, if he thinks proper, that any employee who has been wrongfully suspended, discharged or otherwise disciplined shall be reinstated with pay or part pay and with any other benefit or part thereof under this Agreement which may have been lost.

4. Time Limits. Any time limit mentioned under grievance procedure shall exclude Saturdays, Sundays and Statutory Holidays and may be extended by mutual consent.

Article Thirty

Health and Safety

1. Reasonable safety devices will be installed where it is mutually agreed that such devices are necessary.

2. A First Aid Kit will be maintained and readily accessible in all the Company premises where members of the Union are employed.

3. When and where circumstances warrant a female employee shall be entitled to transportation after work, between the hours of 12.00 midnight and 7.00 a. m.

Article Thirty-One

Conclusive Agreement

The parties hereto agree that this Agreement is conclusive and that any matter not herein specifically dealt with shall not be subject to negotiations prior to the expiration of this Agreement unless mutually agreed to by both parties.

Article Thirty-Two

Union Access to Premises

1. The Company will, upon reasonable notification and at a reasonable time, permit free access to its premises by an accredited Union representative to enable him to observe whether the provisions of this Agreement are being complied with. If the visit involves entry into restricted areas, arrangements are to be made at the time when notification is given.

2. The Company agrees to permit the use of bulletin boards on its premises for the posting of Union announcements regarding meetings, elections, negotiations and the internal affairs of the Union, provided that such notices are authorized for posting by Management.

Article Thirty-Three      No Strikes or Lock-Outs

1. The Union will not cause or permit its members to cause, nor will any member of the Union take part in, any strike either sit-down or stay-in, or any other kind of strike or picketing or any other kind of interference or any other stoppage, total or partial of any of the Company's operations anywhere, during the term of this Agreement.

2. The Company will not cause, engage in or permit a lock-out at any of its locations during the term of this Agreement.

Article Thirty-Four      No Discrimination for Union Activities

The Company will not discriminate against an employee for anything said, written or done legally in furtherance of the aims or policies of the Union.

Article Thirty-Five      Inclusive Use of Masculine Gender

Wherever in the wording of this Agreement the masculine gender is used, it shall be understood to include the feminine gender.

Article Thirty-Six      Effective Date and Duration

This Agreement shall commence on \_\_\_\_\_ and shall remain in force until \_\_\_\_\_.

Article Thirty-Seven      Notice of Re-Negotiation

In the event that prior to the expiration date of this Agreement either party desires to negotiate a new Agreement, notice in writing by registered mail shall be given to the other party not less than thirty (30) days and not more than ninety (90) days prior to the expiry date of this Agreement. If such notice is given by either party and no new Agreement is reached, all the provisions of this Agreement shall continue to be observed by both parties until a new Agreement is signed, or until after the report of a conciliation Board, whichever occurs sooner.

Article Thirty-Eight

Re-Negotiation Procedure

Upon receipt of notice from one of the parties (the applicant party) of a desire to negotiate a new Agreement, provided in Article Thirty-Seven, the other party (the respondent party) shall arrange for a meeting to be held between the parties within twenty (20) days for the purpose of negotiation and further meetings shall be held as frequently as possible until settlement is reached or until either party makes application for conciliation.

Article Thirty-Nine      Automatic Renewal

If either party fails to give notice of a desire to negotiate a new Agreement as provided in Article 37, or having given notice, the applicant party fails to meet with the respondent party as arranged, for the purpose of negotiations, as provided in Article 38, this Agreement shall be automatically renewed for a further period of one year and from year to year thereafter.

Article Forty      Conclusion

The parties to this Agreement declare that it contains responsibilities and obligations for each such party and that in signing the Agreement it binds the parties during the Agreement term to do everything they are required to do by the Agreement and to refrain from doing anything they are not permitted to do by the Agreement. The parties further understand and declare that in case any provisions of this Agreement are now or hereafter inconsistent with any Statute of Canada or any Order-in-Council or Regulations passed thereunder, such provisions shall be to that extent deemed null and void or shall be applied in such manner as will conform with the law.

IN WITNESS WHEREOF THE PARTIES HERETO have caused this Agreement to be executed by their duly authorized representatives this      day of

British Columbia Television  
Broadcasting System  
Limited

International Alliance of  
Theatrical Stage Employees  
and Moving Picture Machine  
Operators of the United  
States and Canada

(Sgd.) \_\_\_\_\_

(Sgd.) \_\_\_\_\_

Report of Board of Conciliation and Investigation established to deal with dispute between

Canadian Arsenal Limited, Long Branch, Ont.  
and

United Steelworkers of America

The Board of Conciliation and Investigation established to deal with a dispute between Canadian Arsenal Limited, Long Branch, Ont., and the United Steelworkers of America was under the chairmanship of Judge C. E. Bennett of Owen Sound, Ont. He was appointed by the Minister on the joint recommendation of A. A. White of Toronto and Peter Podger of Streetsville, Ont., who were previously appointed on the nomination of the company and union, respectively.

Messrs. White and Podger submitted partial dissents to the Chairman's recommendation. The Minister of Labour received the report in May.

A board of conciliation was established to deal with the matters in dispute between the parties, on the 24th day of

January 1966. The members of the board were subsequently duly appointed to the board.



The Company--Canadian Arsenals Limited is a Crown-owned corporation organized and existing under the laws of Canada. The company manufactures small arms, terminals and other equipment.

The Union--In January 1962, the United Steelworkers of America was certified as the sole bargaining agent for the employees of the Small Arms Division of Canadian Arsenals Limited. The current collective agreement, which covered the period December 1, 1963 to the 30th day of November 1965, was the second collective agreement between the parties.

There are approximately 161 employees in the bargaining unit, including probationary employees, of whom 63 are females.

History of Negotiations--On October 18, 1965, the union gave notice to the company that it wished to negotiate certain revisions to the collective agreement. During the months of November and December, the parties met and resolved some of their differences. On the 28th and 29th of December 1965, a conciliation officer met with the company and union and subsequently this Board of Conciliation was established upon the recommendation of the conciliation officer.

We met with the parties in Toronto, on March 26 and April 15.

Matters in Dispute--There were a number of matters in dispute, which are included in our recommendations under the various headings. Some of our recommendations are as a result of agreement by the parties.

## RECOMMENDATIONS

We recommend the following changes in the collective agreement:

Section 2.4.3--The parties agreed that the word "or" should be omitted in the second last line.

Section 9.1.1--Should be changed to read: "The Company will compensate up to five (5) members of the negotiating committee for their scheduled working time spent in negotiating the agreement with the Company...."

At present the union has a five-member negotiating committee. This request of the union was not seriously opposed by the company.

Section 13.3 under Step (3)--The parties agreed that the following shall be added at the end of the first sentence: "Within 5 working days of the day the grievance was processed to Step 3 of the grievance procedure."

Section 13.8--That a new Section 13.8 be added in Article 8 as follows:

"If an employee is to be called before management for the purpose of reprimand or discipline which management intends to record against the service record of the employee or in the case of discharge, he will be advised in advance of the purpose of the meeting, at which time the employee will also be told that he has the right to have his shop steward present with him at such a meeting."

Section 16.1--The parties agreed to add after the word "discharge" in the last sentence the words, "or re-classification."

## Article 17 Annual Leave (Vacations)

Section 17.1.3--Add, "Regular pay means basic pay only."

Section 17.2.1--Change percentage to 4.05.

Section 17.2.2--Delete present 17.2.2 and substitute:

"17.2.2 Employees who have completed one year of service by June 30th of the year in which the vacation is taken will receive 10 days vacation pay at their regular rate at the time the vacation is taken or if they have been absent for more than 12 days during the vacation year they will receive vacation pay at the rate of 4.05% of their gross earnings during the vacation year. They will be entitled to 10 days of vacation leave."

Section 17.2.3--Delete present 17.2.3 and substitute:

"17.2.3 Employees who have completed nine years service by June 30th of the year in which the vacation is taken will receive 15 days vacation pay at their regular rate at the time the vacation is taken or if they have been absent for more than 12 days during the vacation year they will receive vacation pay at the rate of 6.05% of their gross earnings for the vacation year. They will be entitled to 15 days of vacation leave."

Section 17.2.4--Delete present 17.2.4 and substitute:

"17.2.4 Employees who will have completed nineteen years of service by June 30th of the year in which the vacation is taken will receive 20 days vacation pay at their regular rate at the time the vacation is taken or if they have been absent for more than 12 days during the vacation year, they will receive vacation pay at the rate of 8.05% of their gross earnings for the vacation year. They will be entitled to 20 days of vacation leave."

Sections 17.2.5, 17.2.6, 17.2.7, 17.2.8, and 17.2.9 are to be cancelled.

Section 21.1--The parties agreed to change the last sentence to read from the word "excepting" as follows:

"Excepting in cases of leave for sickness (including accidents) or employees on workmens compensation or employees on leave to transact union business".

Section 21.2--We recommend no change here.

The language proposed by the union is permissive only and it is doubtful if the suggested provision would achieve the result desired by the union.

Section 22.1--Delete present Section 22.1 and substitute:

"22.1 The Company will give one additional Statutory Holiday. 22.1 to read, in list of holidays, as follows:

The Company will recognize the following Statutory Holidays:

New Years Day	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	$\frac{1}{2}$ day before Christmas Day
Dominion Day	Christmas Day
Civic Holiday	$\frac{1}{2}$ day before New Years Day

Employees will be paid for these holidays at their base rate for their regular hours of work if the holiday falls on a regular working day. Should any of these holidays fall on a Saturday or a Sunday it will be observed by the Company on another day and employees will be paid for the day. Provided: They work at least 15 days in the 30 calendar days immediately preceding the holiday or they work 8 hours in the 5 working days immediately before the holiday and are at work the first working day after the holiday."

Section 23.3--The employees at the Small Arms Division have a three-stage wage structure. They begin at the "starting rate" and upon completion of the probationary period move to the "job rate" which is 5 cents higher than the "starting rate". The third stage is the "top rate" which is, in effect, a merit rate.

The union proposed that progression to the "top rate" be automatic after three months in the "job rate".

We do not recommend this change. The last progression



is a merit raise. If an employee considers he has a complaint because he has not received the "top rate", present Section 23.3 provides that he has recourse to the grievance procedure. Management apparently has not unjustifiably withheld the final step because nearly all the employees are at the "top rate".

Section 23.7--Present Section 23.7 to be deleted and substitute:

"23.7 A premium of ten (10) cents per hour shall be paid for the time worked in the afternoon shift and twelve (12) cents per hour shall be paid for the time worked on the night shift (see Art. 24). Shift premium will not be paid on over-time hours."

Section 26.5--Add the following sentence to Section 26.5: "An employee may elect to be separated from employment by layoff rather than accept transfer to another classification to which he is entitled by reason of the provisions of this Article."

Section 26.7--Delete present Section 26.7 and substitute:

"26.7 Employees who are transferred to a lower group than that in which they started with the Company may retain their previous seniority in the higher group for a period equivalent to the recall time to which they are entitled under Section 26.11. Such employees can only count their seniority in the lower group from the date they entered the lower group."

Section 30.1--Add in 30.1 the word "working" before "days" in the third sentence. Add the following sentence at the end of the section: "If position is being advertised in the daily press, the notice will so indicate".

Section 31.1--Delete present Section 31.1 and substitute:

"31.1 This agreement shall continue in effect from the 1st day of December, 1965 until the 30th day of November, 1967, and unless either party gives notice in writing to the other party that amendments are required, or that the party intends to add to, delete, amend, or terminate the agreement, then it shall continue in effect until the 30th day of November, 1968, and so on from year to year thereafter."

Severance Pay--The union proposed that a new article be added to be known as Article 31 (present 31 to be re-numbered), to read as follows:

"31.1 Subject to the seniority provisions of this Agreement (Article 26), employees who become permanently displaced as a result of the closing of the plant, or a department, or as a consequence of technological changes shall be entitled to a severance allowance in accordance with their seniority. The amount of severance allowance to which an employee shall be entitled shall be one full month's pay for each year of service.

31.2 The severance allowance shall be paid to the employee in a lump sum at the time of his termination."

The union's request for severance pay was advanced because the Government of Canada has made it clear it was trying and hoped to sell the Long Branch factory.

#### Recommendation re Severance Pay

We recommend that a letter of intent be written by the company to the union stating that if the plant is sold, the company will have the purchaser adopt the terms and conditions of the collective agreement, provided it is reasonably possible for it to do so.

We do not recommend the severance pay requested by the union for these reasons:

1. The granting of severance pay is by no means majority

industrial practice. The Company brief indicated that approximately 19 per cent of the firms in Quebec and 10 per cent of the firms in Ontario grant such benefits.

2. Severance pay is not granted under the terms of any collective agreements covering hourly rated employees entered into by other Crown agencies. Eldorado Mining does provide, outside of their contract, for a relocation allowance for workers at their mine at Beaverlodge, Sask., if the operation is completely closed down.

3. The new orders for the Company are expected to give sufficient work to the present staff, plus additional employees for a minimum period of three years.

4. The Crown has stipulated in its sale brochure that the purchaser is required to retain, and will be fully responsible for retaining, a capability in the military small arms field in support of the Canadian Armed Services for a minimum period of ten years.

Because of 3 and 4 above, the employees would seem to have a fair measure of job security and severance pay should not be an important consideration during the life of the recommended collective agreement.

Insurance--We recommend the following change:

That the Weekly Indemnity for Accident and Sickness be increased to an amount equal to sixty-five per cent (65%) of the employees' normal weekly earnings.

Wages

1. To all employees receiving up to and including \$2.10 an hour.

Dec. 1, 1965 - 9¢ per hour

Dec. 1, 1966 - 7¢ per hour

2. In addition, to all employees in the following classifications:

Operator "C", and "D",  
Assembler "C", and "D",  
Stores Attendant "C", and "D",  
Polisher and Buffer "B",  
Bench Inspector "B" special,  
Bench Inspector "B" and  
Bench Inspector "C".

Dec. 1, 1965 - 7¢ per hour

Dec. 1, 1966 - 3¢ per hour

3. To all employees receiving more than \$2.10 up to and including \$2.30 per hour:

Dec. 1, 1965 - 13¢ per hour

Dec. 1, 1966 - 9¢ per hour

4. To all employees receiving more than \$2.30 up to and including \$2.49 per hour:

Dec. 1, 1965 - 15¢ per hour

Dec. 1, 1966 - 11¢ per hour

5. To all employees receiving more than \$2.49 per hour:

Dec. 1, 1965 - 25¢ per hour

Dec. 1, 1966 - 10¢ per hour

My colleagues, Mr. Peter Podger and Mr. A.A. White, concur in this report (as indicated in their partial dissents), except as set out in their partial dissents.

All of which is respectfully submitted.

Dated at Toronto, Ontario,  
this 11th day of May 1966.

(Sgd.) C. E. Bennett,  
Chairman.



## REPORT OF A. A. WHITE

I have had the opportunity of discussing the recommendations of the Chairman and my colleague. Unfortunately in some areas there is no agreement between the members of the Board.

I agree with the recommendations of the Chairman except in respect of wages, and the term of the agreement. I further wish to dissociate myself with respect to the Chairman's recommendations in respect of "administration of discipline", Article 8, sec. 13.8.

In respect of term of agreement and wage rates, the following are my recommendations:

I would recommend that the present classifications be retained except that a new group be created entitled "Group 1-A Inspection", this group to include:

Tool and Gauge Inspector "A", "B" and "C"

Tool and Cutter Inspector

Senior Inspector

Lino Inspector "A", "B" and "C"

Bench Inspector "A", "B Special", "B" and "C"

In respect of wages, it would appear that the lower classifications are well within the range paid in similar jobs in industry. It is also apparent that the higher skilled jobs are slightly below rates paid in the best industry, while the top skills do not carry enough spread from the bottom rates. In coming to the above conclusions I have considered area rates (Oakville, Port Credit and Toronto) and rates in the industries that employ male and female workers in the manufacture of small metal components and the assembly of such components into light products.

Bearing the above in mind, and being of the opinion that a Crown Company has an obligation to the taxpayer as well as to its employees and being fully aware that this company has no profits from which to absorb additional costs, I would recommend the following increases, which, in my opinion, would bring this company's rates to a level which might not be the highest in industry but which brings them well above the mean:

1. To all employees earning up to and including \$2.10 per hour: 8¢ per hour in the first year of the agreement, and a further 6¢ per hour in the second year of the agreement.

2. To all employees earning from \$2.11 per hour to \$2.30 per hour: 10¢ per hour in the first year of the agreement and an additional 8¢ per hour in the second year of the agreement.

3. To all employees earning from \$2.31 per hour to \$2.50 per hour: 12¢ per hour in the first year and an additional 9¢ per hour in the second year.

4. To all employees earning \$2.51 per hour or more: 22¢ in the first year and 10¢ in the second year.

The agreement is to be for two years from date of ratification by the union. The first year's increase is to be effective December 1, 1965; the second-year increase to be effective December 1, 1966.

In addition to the above increases I would recommend that an additional 5¢ per hour be given in the first year to employees in "Group 3", i.e.,

Operators "C" and "D"

Assemblers "C" and "D"

Polisher and Buffer "B"

Stores Attendant "C" and "D"

Bench Inspector "B Special"

Bench Inspector "B"

Bench Inspector "C"

I recommend this additional increase in the hope that it will help the parties to arrive at a settlement even although I am of opinion that the employees in the above-mentioned grades are now in receipt of rates in excess of those paid for similar jobs in industry.

The major factors considered by the undersigned in arriving at the above recommendations were (a) a realization that a Crown corporation should pay wages in the top quartile of similar private industries, (b) an awareness of the fact that the skilled trades are somewhat below the top quartile in industry, (c) area rates, rates in similar metal fabricating and assembly industries and going rates on similar jobs in industry at large. I am of the opinion that the above recommendations satisfy these criteria.

All of which is respectfully submitted.

(Sgd.) A. A. White,  
Member.

## REPORT OF PETER PODGER

I agree with the recommendations of the chairman of the Board in all respects except the following:

Severance Pay

Wages.

### 1. Severance Pay

The Chairman, in his report has recommended that the company give the union an undertaking that any prospective purchaser adopt the terms and conditions of the collective agreement "provided it is reasonably possible for it to do so." It is in connection with this last proviso that I have real doubt as to the practicability of such an arrangement. The Government, of course, has complete discretion as to the terms and conditions under which the plant would be sold. Thus in the brochure on the prospective sale appears inter alia the following specification:

"It is consequently the intention that contracts existing in whole or in part at the time of sale will be assigned to the purchaser of the facility, it being his responsibility to complete such contracts." (Ref. page 8, para 7(a)).

Implicit in the foregoing, and other relevant conditions of sale, would be an assumption on the part of the purchaser to live up to the company's contractual commitments or alternatively work out a formula of compensation for the satisfactory disposal thereof.

It is in this connection that I feel the union has a real case to establish the basis by which employees would be compensated for the failure of a prospective purchaser to provide jobs for the employees or maintain the wages and working conditions established by the union through years of collective bargaining.

There is no dispute that the Government is most anxious to sell the Long Branch plant. This fact has, of course, created almost a psychosis in the minds of employees who have devoted, in many cases, a lifetime of service to the industry. These fears, and they are real fears, cannot, in my view, be dismissed on grounds that a preponderance of other employers do not provide severance pay. Not many other employers or employees are placed in a position where they must operate from day to day in a shroud of uncertainty. Severance pay may be given less priority in industries that smack of continued prosperity, but that is not in my view a reasonable comparison where the issue looms large on exactly

the opposite grounds. The Company, incidentally, does pay severance pay to its supervisory personnel.

My recommendations on this point therefore are designed to encourage the Government to maintain the existing operation and provide jobs under existing conditions on pain of penalty for failure to do so. Accordingly, I would recommend as follows:

1. That the company sign a document with the union undertaking to have a purchaser adopt the terms and conditions of the collective agreement then in force, and

2. That if it fails to do so it will pay each employee one

month's pay for each year of service, based on collective agreement rates.

## 2. Wages

I join with the Chairman's recommendations on wages in all respects, except that I would grant the same increase to employees in group 4 as given to employees in group 5.

All of which is respectfully submitted.

(Sgd.) P. Podger.  
Member.

### Report of Board of Conciliation and Investigation established to deal with dispute between

The Shipping Federation of Canada, Inc.  
and  
International Longshoremen's Association

The Board of Conciliation and Investigation established to deal with a dispute between The Shipping Federation of Canada, Inc. and the International Longshoremen's Association (Locals 375, 1657, 1522, Montreal; Local 1846, Trois Rivières; and Locals 1739 and 1605, Quebec City) was under the chairmanship of Hon. Mr. Justice Claude Prevost of Montreal. He was appointed by the Minister on the joint recommendation of the other two members of the Board, Roger Cordeau, Q.C., and Robert G. Burns, both of Montreal, nominees of the Federation and Association, respectively.

The report of the Board, received by the Minister of Labour in May, was unanimous.

The members of the Board of Conciliation appointed in this matter wish to report as follows:

A third and last meeting of the Board was held at 4:30 p.m. on the 16th of May 1966, the two previous meetings having been held on the 12th and 13th of May last.

At the outset, the Chairman asked the parties to state their respective position in the light of recent developments. Counsel for The Shipping Federation reiterated the stand taken previously by his clients to the effect that they will not submit their case to the Board as long as the longshoremen continue what he called an illegal strike.

Before this last meeting and on the same day, the Chairman had received a letter delivered by hand from the legal adviser of the "Association Internationale des Débardeurs" stating in no uncertain terms that in view of the attitude taken by The Shipping Federation his clients considered that the mandate of this Board was thereby terminated and that it should report accordingly to the Minister of Labour. This attitude of the Union was reaffirmed by Counsel at the meeting. The members of the Board then saw fit to retire to consider the situation. The Chairman then suggested to the nominees of the Union and the Federation that if the Union agreed to appear before the Board at another meeting the representatives of the Federation could be summoned to appear before it under the authority of sections 33 and 34 of the Industrial Relations and Disputes Investigation Act.

Both nominees for the Employer and the Union disagreed with the Chairman on legal grounds, arguing that a Conciliation Board could not, under these sections, summon and hear witnesses in the absence of one party and in any event such a procedure would not produce any practical results.

The suggestion of the Chairman being opposed by the two other members of the Board, the only course to follow was

to report immediately to the Minister of Labour.

Consequently this Board wishes to report that it has failed to bring the parties together and that it is the unanimous opinion of the undersigned that it can no longer serve any useful purpose.

Montreal, May 17, 1966.

(Sgd.) Claude Prevost,  
Chairman.

(Sgd.) Robert G. Burns,  
Member.

(Sgd.) Roger Cordeau,  
Member.

### SUPPLEMENTARY REPORT OF ROGER CORDEAU, Q.C.

As hereinabove stated, at the opening of the first sitting of the Board on May 12, the attorney for The Shipping Federation made representations to this Board to the effect that the employees were engaged in an illegal strike and that no further sittings of the Board be held until employees had complied with the law and returned to work. The attorney for the unions did not deny that there was a stoppage of work and did not present arguments as to whether this stoppage of work was illegal or not but maintained that this Board had no jurisdiction to decide whether the strike was legal or illegal. The Board unanimously decided that it had no jurisdiction to declare whether the strike was legal or not but recommended that the employees return to work in order to promote an atmosphere that would be more conducive to orderly negotiations for a collective labour agreement and, after receiving exhibits filed by the Unions, fixed Friday the 13th for the



next sitting of the Board. Notwithstanding this recommendation, the employees did not return to work and the employers refused to attend further conciliation proceedings.

In view of the respective positions taken by the parties, it is evident that there were no prospects that the Conciliation Board could obtain an agreement between the parties. Under the circumstances, the undersigned is of the opinion that the

machinery of a Conciliation Board is not adequate to solve the present problem and recommends that an investigation be ordered under section 56 of the Act or that a special mediator be appointed.

Montreal, May 17, 1966.

(Sgd.) Roger Cordeau,  
Member.

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Report of Board of Conciliation and Investigation established to deal with dispute between

The St. Lawrence Seaway Authority  
and  
Canadian Brotherhood of Railway, Transport and General Workers

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The Board of Conciliation and Investigation established to deal with a dispute between The St. Lawrence Seaway Authority and the Canadian Brotherhood of Railway, Transport and General Workers was under the chairmanship of F. J. Ainsborough of Toronto. He was appointed by the Minister in the absence of a joint recommendation from the two other members of the Board, A. J. Bates of Pointe Claire, Que., and Francis K. Eady of Ottawa, who were previously appointed on the nomination of the company and union, respectively.

The report of the Board was signed by the Chairman and Mr. Bates. A minority report was signed by Mr. Eady. The reports were received by the Minister of Labour in May.

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The Board of Conciliation met with the parties in Ottawa on May 5 and 6, 1966.

There are about 1,200 employees involved.

The first points discussed were an increase in wages, and contracting-out. When agreement was not reached it was deemed advisable not to proceed further as it was apparent none of the other issues would be resolved until the wage increase and contracting-out are cleared.

It is recommended that the parties accept the following as a fair and reasonable settlement.

Contracting-out of work--This appears to be a "sore spot" and the Board does not feel competent to write a clause because it doesn't have sufficient details. A request to the Canada Labour Relations Board for a clarification of the coverage of the certification should be of assistance in ascertaining if some or all of the contracting-out is in accordance with or contrary to the spirit and intent of the certification.

Shift Differentials--

.03¢ per hour 4.00 pm - 12.00 midnight

.06¢ per hour 12.00 midnight - 8.00 am

Cost of Living--No change.

"Temporary Assigned" vs "Required to Work" (Article 3.2)--Evidently agreement reached at conciliation officer stage. If so, such agreement will stand.

Excluding Positions from Terms of Collective Agreement (Article 3.4)--As there is no prospect of agreement on this point, it should be referred to the Canada Labour Relations Board for a decision as to whether or not each position should be included in or excluded from the certified unit.

Filling Positions - Seniority (Article 6.6)--No change.

Overtime Meal Rate (Article 10.7)--Agreed meal rate will be \$2.50.

Annual Vacations (Article 14.1)--

10 work days up to 5 years

15 work days 6 to 19 years

20 work days 20 years and over

Welfare Plan--Health--Authority 75%

Life--Authority 60%

Picket Lines--Employees should not be subject to discipline or dismissal for failure to cross any picket line where there is danger to life or limb.

Duration of Agreement--Two years, with the effective date being the date of signing or July 1, 1966, whichever is the earlier.

Operational Rates of Pay in Non-Navigational Season--Evidently agreement was reached at the conciliation officer stage. Later it was withdrawn by the Authority. It will stand as agreed.

Rate of Pay to be on Hourly Basis--It appears agreement was reached at conciliation officer stage. If so, it will stand as agreed.

Meal Period - Operational Employees--Agreed.

Union Shop--Modified Rand Formula in the same manner as is provided in Article 19 of the Welland Canal Twinning Project.

Adjustment of Rates of Pay for Bridgemen and Watchmen--Authority offer of upward adjustment of 5 cents an hour, which was accepted by the union but later withdrawn by the Authority, is to be re-instated as proposed and accepted.

Rate for Crane Operators (Floating Plant)--No change.

Electric Groundman Rate--To receive "Helper (trades) Rate".

Union Representative at Interviews and Hearings--The union is not sure that the information it receives from its members is correct but it seems to believe that the stated case is. The Authority should make an investigation of this case even at this late date. It is unbelievable that an employee who is not too old, in good health and "had the ability and intelligence to be a satisfactory Lockmaster, but apparently not sufficient to pass tools to an electrician." The Board is not in a position to recommend the acceptance of the union's proposal, at this time, but there seems to be the need for

the Authority to make, or have made, an investigation of the interviewing methods if only to protect itself in case of attack.

Foreman's Rate--

Foremen to receive fifteen (15) cents an hour for two to five men.

Foremen to receive twenty-five (25) cents an hour for more than five men.

Assistant Foremen to receive ten (10) cents an hour when in charge of two to five men.

Assistant Foremen to receive fifteen (15) cents an hour when in charge of more than five men.

HEADQUARTERS AGREEMENT

Hours of Work for Office Employees--No change.

Rest Periods--Rest periods are provided now as a policy of the Authority but not at stated times. Because only a small number of employees are involved it seems to be preferable to have a staggered arrangement in the interests of efficient operation. Evidently the Authority means that all the office employees receive these breaks. In the interests of uniformity it is suggested the Authority issue the necessary instructions to the appropriate officials and also make sure that they are adhered to.

WELLAND CANAL TWINNING PROJECT

Seniority (Article 4.1)--Delete "ninety (90) days" and substitute "sixty (60) days".

Twinning Bonus--No change.

ALL EMPLOYEES

Wages--

Effective date of contract - 7% increase

Second year - anniversary date - 7% increase

Retroactivity--Each employee will receive 7% of his total earnings for the period between the expiry date of the previous contract and the effective date of the new contract.

Mr. F. K. Eady, Member, has submitted a minority report.

Respectfully submitted from Toronto, Ontario, on the 19th day of May, 1966.

(Sgd.) F. J. Ainsborough,  
Chairman.

(Sgd.) A. Bates,  
Member.

MINORITY REPORT

I disagree with the majority report and make the following recommendations on the major items in dispute.

Wages--While the union demand is for a one-year contract, I would recommend that the contract be for two years from the expiry of the old contract, with a 20% increase for the first year with full retroactivity, and 20% for the second year.

Cost of Living Clause--In view of the rapid increase in the Cost of Living Index, and in view of the fact that both the Economic Council of Canada and the Finance Minister anticipate a further rapid increase, I would recommend that the parties include some suitably worded Cost of Living Clause in the renewed agreement.

Contracting-Out--The offer of the Authority to agree to a clause which would mean that nobody would lose their jobs as a result of contracting-out is, in my view, completely inadequate. The practice of contracting-out of the work regularly performed by members of a bargaining unit is much too widespread to say that it does not represent a threat to the jobs of the employees covered by the collective agreement. Such contracting-out nearly always has as its objective the reducing of labour costs and the avoidance of payment of the so-called "fringe benefits" which are enjoyed by members of the bargaining unit. I recommend, therefore, that the collective agreement include a clause providing that no work at present performed by the bargaining unit be contracted-out. Such a clause should recognize that the work at present performed by contractors should continue to be so performed as far as construction work on the canal is concerned.

Welfare--In view of the increasing trend toward 100-per-cent payment of health insurance and life insurance by the employer, I would recommend that the premiums on both of these items be met 100 per cent by the employer.

Shift Bonus--The practice of paying shift differentials is now quite widespread, especially for work of a continuous shift nature such as the Seaway. I recommend that an afternoon shift differential of 10¢ per hour be paid and for the night shift 15¢ per hour.

Vacations--I would recommend that the vacation clause be amended to provide for two weeks vacation from the first to the fifth year, three weeks vacation from the fifth to the fifteenth year, and four weeks vacation for fifteen years and upwards.

Union Security--I would recommend a modified Rand Formula to be included in the collective agreements. This clause should provide for union membership for all new employees, maintenance of membership for all existing members, and a check-off of a sum equivalent to union dues for all those who are not members.

Picket Lines--I would recommend that the parties agree to the inclusion of a picket line clause in the new collective agreements. A legally constituted picket line for the purposes of this clause should be any picket line which is established as a result of rights under the Federal, Ontario and Quebec labour legislation.

Other Items--While there are other items in dispute, I would recommend that these be left to mutual agreement between the parties.

(Sgd.) Francis K. Eady,  
Member.



Air Canada  
and  
Trans-Canada Air Lines Sales Employees' Association

The Board of Conciliation and Investigation established to deal with a dispute between Air Canada and Trans-Canada Air Lines Sales Employees' Association was under the chairmanship of R. G. Geddes of Toronto. He was appointed by the Minister on the joint recommendation of the other two members of the Board, H. McD. Sparks of Montreal and Peter Podger of Streetsville, Ont., nominees of the company and union, respectively.

The unanimous report of the Board was received by the Minister of Labour in May.

The Conciliation Board, H.M. Sparks, employer nominee; Peter Podger, union nominee; and R. G. Geddes, Chairman, met with the representatives of the parties at Montreal, Que.

Present for the company were: F. C. Eyre, Spokesman; and L.B. Sampson, N.A. Radford, A. G. Cargill, J. LePottier, H. G. Dondenaz and M. J. Power, Committee.

Present for the union were: T. Armstrong, Counsel; R. Dye, President; H. Holtman, R. MacAdams, R. Miles, K. Kerr, L. Costa, J. Longpre and J. Hayes, Committee; and Mrs. L. Gibson and Mrs. L. Rolland, Observers.

During negotiations conducted by the Conciliation Board, the representatives of the parties reached agreement on terms to be recommended to their principals for settlement of the dispute. A copy of the signed statement listing these terms is attached hereto. Section 5 of this statement is intended to apply to the various Letters of Understanding exchanged between the parties, and to other documents related to the draft Agreement as well as to the Agreement itself.

All of which is respectfully submitted.

Toronto, Ontario  
May 1966.

(Sgd.) R. G. Geddes,  
Chairman.

(Sgd.) H. McD. Sparks,  
Member.

(Sgd.) P. Podger,  
Member.

#### RECOMMENDED TERMS OF SETTLEMENT

The Conciliation Board advised the representatives of the parties that the Board would unanimously recommend settlement on the following terms:

##### Duration

The term of the agreement shall be from June 1, 1966 to November 30, 1968.

##### Wages and Retroactivity

Provided that the Association has notified the Company of ratification by June 1, 1966, the following general increases and lump sum payments will apply.

1. A general wage increase: effective May 17, 1966 - 8%; effective September 5, 1967 - 7%

2. (a) A lump sum payment in the amount of \$150.00 to each employee who is on the payroll on May 17, 1966 and who was also on the payroll on November 29, 1965.

(b) A lump sum payment to employees in the employ of the Company on May 17, 1966 who were hired after November 29, 1965, prorated for the period of their service to May 17, 1966.

##### Temporary Part-Time

1. Replace Paragraph 1 of Letter of Understanding No. 1 (Appendix "A" Company Brief, Exhibit III of the Association Brief) with Paragraph 1 of the Memorandum of Understanding, Page 36 of the previous agreement.

2. Delete Paragraph 9 of said Letter of Understanding No. 1.

3. The balance of said Letter of Understanding No. 1 to form part of the new agreement.

4. Part-Time employees will be included in the bargaining unit.

5. Negotiations to make this recommendation effective will be concluded as soon as possible following ratification but not later than July 1, 1966.

##### Transfers

The following changes to be made to Article 12 Appendix "A" of the Company Brief (Exhibit III of the Association Brief) for a trial period for the duration of this agreement.

.02 to read as follows:

Employees will be transferred when there are staff requirements provided that:

(a) Unchanged

(b) Unchanged

(c) Change two years to one year.

.03 to read as follows:

Selection will be made based on the seniority of the persons from whom applications have been received at least thirty days prior to the job becoming available. The employees selected will be allowed a period up to twenty-six (26) weeks in which to qualify. Should he not qualify, he shall be returned to his previous work location.

.07 Delete (c) and change two years to one year in (f).

Notwithstanding the foregoing, the filling of staff requirements as a result of the introduction of the summer flight schedule (last part of April) will be at the discretion of the Company. This discretion will apply to staff requirements to be filled during the period thirty days prior to and fifteen days after the introduction of the summer schedule.

In all other respects the settlement will be as set out in Appendix "A" of the Company Brief (Exhibit III of the Association Brief).

Although some members of both bargaining committees

had some reservations on certain issues, all representatives of both parties agreed, at the urging of the members of the Conciliation Board, to recommend these terms to their principals for acceptance.

For the Conciliation Board:

(Sgd.) R. G. Geddes,  
Chairman.  
(Sgd.) H. McD. Sparks,  
Member.  
(Sgd.) P. Podger,  
Member.

For the Association:

R. E. Dye  
H. C. Holtman  
R. MacAdams  
K. Kerr  
R. Miles

J. Hayes  
Lucille Gibson  
Louis Costa  
J. Longpre

For the Company:

F. C. Eyre  
L. B. Sampson

A. G. Cargill  
N. A. Radford



## Reasons for Judgment in Application for Certification Affecting

Locals 362 and 979 of the International Brotherhood of Teamsters  
and  
Midland Superior Express Limited

Applicant  
Respondent

The Board consisted of A.H. Brown, Chairman, and E.R. Complin, J.A. D'Aoust, A.J. Hills, Donald MacDonald, Gérard Picard and Harry Taylor, Members. The judgment of the Board was delivered by the Chairman.

The Respondent is a corporate commercial common carrier engaged in the hauling of freight by road transport between its terminals at Victoria and Vancouver, B.C., Calgary and Edmonton, Alta., Hamilton and Toronto, Ont., and Montreal, Que. Its head office is in Calgary. It operates city pick-up and delivery services in a number of these cities but these services are not involved in the present application. Seventy per cent of Respondent's traffic moving from western to eastern Canada is in perishable and primarily packing-house products, the balance being general freight.

Respondent holds commercial carrier route franchise licences issued by the provincial route franchise licensing authorities in the provinces in and through which it operates, and a corridor route licence through several states issued by the United States Interstate Commerce Commission. These route franchises are essential requirements to the operation of Respondent's interprovincial freight transport undertaking.

The trailers used by the Respondent in its line haul operations to carry the freight hauled number upwards of 300 and are owned by the Respondent. None of the tractors used by the Respondent to haul these trailers is owned by the Respondent. These are obtained and used for this purpose under agreements with the owners of these tractors. All tractors so used are equipped with sleeper cabs for the accommodation of two drivers, as the services of two drivers are required for each tractor on long line haul operations which comprise the great bulk of the trips. However, the services of one driver only may be required thereon on short line haul trips.

The owner of a tractor used under any of these agreements in Respondent's line haul operations is hereinafter generally designated as an "operator" and a driver of such a tractor other than an operator is designated hereinafter as a "line driver".

The Applicant applies to be certified as bargaining agent for a unit of employees of the Respondent consisting of line drivers, including spare line drivers, but excluding operators who drive their tractors and pick-up and delivery drivers. According to the Board's investigating officer, there were 201 line drivers in the proposed bargaining unit at the date of the making of the application for certification. There were 45 operators whose tractors were in use under agreement with the Respondent at that time, of whom 28 were stated to be corporate owners. A considerable number of the 45 operators owned more than one tractor unit in use in the Respondent's operations. The Respondent contends that the operators are independent contractors and that the line drivers in the proposed bargaining unit are not its employees but are em-

ployees of the operators of the tractors that the line drivers are employed to drive.

The Respondent obtains the use of the tractors to haul its trailers in its line haul operations under written agreements in standard form and with uniform terms and conditions entered into between the Respondent and the operator. The terms of the agreement are summarized as follows:

1. The Respondent employs the operator as the operator of the tractor or tractors specified therein subject to the terms of the agreement.

2. The operator, inter alia, (a) will be responsible for the physical operation of the tractor and its management, supervision and maintenance, (b) will employ only drivers approved by the Respondent provided that the operator shall himself be given preference as a driver if he meets all of the Respondent's requirements or, if the operator is a body corporate, the officers or employees of the operator designated in the agreement shall have such preference if they so qualify, (c) will abide by and comply with the instructions, orders and regulations issued by the Respondent from time to time with respect to the use and operation of the tractor and delivery of goods or cargo, including compliance with drivers' orders from time to time issued by the Respondent, and agrees in event of default or failure by himself or his drivers in abiding or complying with such orders to pay the penalties therein provided as a debt due to the Respondent (see section 10 of the agreement), (d) will pay the Respondent such amounts as are required to establish and maintain a credit balance in the operator's account with the Respondent of \$2,500 per tractor as security for advances made by the Respondent on the operator's behalf or as security for amounts owing the Respondent; (e) will pay and indemnify the Respondent in respect of all expenses in the operation, maintaining and repairing of the tractor, including driver's salary and expenses, workmen's compensation and any levies or fines with respect to operation of the equipment levied by municipal, provincial or other authorities or the handling and delivery of cargo for which the operator or driver is responsible and all penalties imposed by reason of a breach of drivers' orders.

3. The Respondent (a) will pay the operator the commission stipulated in the agreement. Since December 1, 1965, this has been the payment of trip mileage rates based on specified route mileages. This is credited to the operator's account at the end of each trip and Respondent furnishes the operator with a monthly statement showing debits and credits and balance in his account, (b) will take out and maintain insurance on the tractor, trailer and cargo for fire, theft



collision, public liability and property damage to tractor and trailer in specified amounts subject to deductibles specified for which the operator is liable, and if the cost thereof is paid by the Respondent, this is recoverable from the operator. The cost of the insurance as billed to the operator by the Respondent is in fact based upon a percentage of the revenue earned by the operator on a monthly basis, (c) may at its option pay any liens, workmen's compensation assessments or mortgage or sale contract amounts owing on the tractor or any tax or levy in respect of the tractor and deduct same from amounts owing the operator, (d) reserves the right to fix the route over which the operator will haul any trailer, (e) will have the sole right to enter into contracts relating to freight hauls for and in respect of the tractor, and (f) has the right to apply for and obtain all licences and operating authorities for the tractors in its own name. These shall remain the sole property of the Respondent. According to the evidence, the Respondent pays and absorbs the cost of the commercial tractor licence and route franchise licence plates for the tractor.

4. It is agreed that (a) such names and devices as are prescribed by the Respondent or required by law shall be affixed to the tractor and, (b) either party may terminate the agreement on three months' notice to the other, provided that the operator may terminate the agreement if the Respondent doesn't pay the commission stipulated within 10 days of due date, and the Respondent may terminate the agreement forthwith and without further notice to the operator in event of default in compliance by the operator of his covenants in the agreement and such default continuing for 10 days after notification to remedy the default has been given.

According to the evidence:

1. All commercial carrier route franchise licences for the routes over which the Respondent operates and all tractor vehicle licences as well as trailer vehicle licences for such road equipment used in the Respondent's line haul operations are issued and held in the Respondent's name. This is necessary in order to comply with over-all provincial and state and interstate vehicle licensing provisions and route franchise conditions. In the province of Quebec, however, tractor road licences may be taken out in the name of the operator but under the carrier's route franchise licence. Conditions attached to the granting of route franchise licences issued by provincial route franchise licensing authorities and the United States Interstate Commerce Commission require the route franchise holder to maintain an insurance fund or policies to satisfy all liabilities for personal or property damages arising out of the ownership, maintenance and operation of the vehicles used by the Respondent in its operation under the route franchise licence. The franchise holder is responsible with respect to the safety of operations and maintenance of the tractor and other equipment including the qualifications of the drivers thereof and for compliance with the requirements of the licensing authority with respect to maximum hours of work and minimum wages to be paid to drivers thereof, and the maintenance and filing with that authority of drivers' trip reports and for compliance with municipal, provincial and state speed and other road safety provisions.

2. If additional tractor units are required to haul the Respondent's trailers, the operators and the line drivers whose tractors or services are in use by the Respondent are given the first option of providing same under the standard operating agreement.

3. The tractors covered by agreements between the Respondent and the operators are reserved for the exclusive

use and possession of the Respondent while the agreement is in force.

4. The Respondent's name is carried on the tractors and the tractors and trailers are painted in the Respondent's fleet colours.

5. Drivers of the tractors are ordinarily despatched with trailer loads by the Respondent's operating department with trip instructions setting out the type of cargo to be hauled and any specific requirements relating thereto, as for example temperature controls, cargo destination and checks on perishable cargoes, and the delivery and pick-up cargo requirements at specified points en route to the terminal delivery point, and the driver is required to provide an estimated trip time. Subject to compliance with the above requirements, the driver may be allowed a choice of route to be travelled but must advise the Operations Department thereof. The operator receives a copy of the Respondent's trip instructions to the driver of his tractor from the Respondent.

6. Delays en route must be reported by the driver to the nearest terminal of the Respondent.

7. Pursuant to section 10 of the agreement between Respondent and operator, the Respondent exercises detailed direction and control both as to what is to be done and the manner in which it is to be done in respect of the loading and unloading of freight hauled, the road operations of the drivers of the tractors and conduct of drivers at terminal points, including controls designed to ensure compliance with safety requirements, through the issue of a standard operating manual and periodic bulletins addressed to operators and drivers. Compliance with these requirements may be and is enforced by disciplinary action against the driver for infractions thereof or by threat of termination of, or actual termination of, the agreement with the operator. Ordinarily the decision to take disciplinary action against a driver is made by the operator in conjunction with the Operations Department of the Respondent either on the initiative of the operator or the Respondent but in case of disagreement between them, the Respondent may give effect to its decision by the withdrawal of its approval to allow the driver to drive a tractor to haul the Respondent's trailers. Compliance with Respondent's directives or the provisions of the agreement by the operator may be enforced by termination or threat of termination of the agreement. On the other hand, an operator may discharge a driver of his tractor on his own authority and in such case must report such action to the Respondent.

8. Every applicant for a line driver's job with the Respondent's fleet is required to complete a company application-for-employment form and satisfy the Respondent as to his driving and personal qualifications and pass the medical examination required for a commercial driver's license. These requirements apply to operators who wish to drive as well as line drivers. Thus the employment of a line driver of a tractor used in hauling Respondent's trailer requires the approval of both the Respondent and the operator of the tractor.

9. Respondent maintains a line drivers' spareboard consisting of line drivers approved by the Respondent to haul its trailers who are available as may be required for this purpose. An operator requiring a line driver or spare line driver to drive his tractor or tractors on a continuing or temporary basis ordinarily selects a driver from this spareboard, although an operator may recruit drivers for his tractor from other sources. A line driver whose employment is terminated by an operator remains on the spareboard and



may be selected by another operator without the necessity of further clearance by the Respondent unless the Respondent is of opinion that his conduct disqualifies him from further employment as a line driver in the Respondent's tractor fleet. If so eligible, his seniority is taken into consideration in placing him on another tractor unit.

10. Multi-tractor operators (that is to say, operators owning a number of tractors in the Respondent's hauling fleet which require the employment of the services of several line drivers thereon) allocate the trip assignments of these line drivers and also schedule their holidays.

11. The remuneration paid to all line drivers employed on the tractors used under contract by the Respondent is on a standard mileage rate basis per trip between specified points, which was established by agreement between the Respondent and the operators, with effect from April 1, 1965, following upon discussions between the Respondent and the operators.

In the opinion of the Board, the arrangements and general scheme of operations carried on here are substantially the same in principle and in effect as those considered by the Board in the cases of Line Drivers Local 605 and Gill Inter-provincial Lines Ltd. 62 C. L. L. C. para 16231 and Truckers Local 362 and Pacific Inland Express Ltd. 63 C. L. L. C. para 16258. There appears to be no doubt that the effective possession of the tractors covered by the agreement rests with the Respondent during the period the agreement is in effect and that these tractors are operated by the Respondent in the course of its line haul freight operations. The provisions and arrangements in effect concerning payment for the tractor and the drivers thereof and the controls exercised by the Respondent over the manner in which the tractors are utilized and the work is performed by the operators and line drivers are substantially the same as in the Pacific Inland Express Ltd. case supra.

In delivering the Privy Council judgment in Montreal vs Montreal Locomotive Works (1947) 1 D. L. R. p. 161 at p. 169, Lord Wright, after setting forth a four-fold test for use in some cases in determination of the relationship of master and servant or agency or independent contractorship, namely (1) control, (2) ownership of tools, (3) chance of profit, and (4) risk of loss, went on to say:

In many cases the question can only be settled by examining the whole of the various elements which constitute the relationship between the parties. In

this way it is in some cases possible to decide the issue by raising as the crucial question whose business is it, or in other words by asking whether the party is carrying on the business, in the sense of carrying it on for himself or on his own behalf and not merely for a superior.

The Board is of opinion on the particular facts of this case that the arrangements between the Respondent and the operator establish an employer-employee relationship between the Respondent and the operator, and that the operator is acting as an agent for the Respondent and not for himself when he selects and makes his arrangements with the line drivers of his tractors. The Board concludes accordingly that the line drivers are employees of the Respondent within the meaning of and for the purposes of the Industrial Relations and Disputes Investigation Act. It has not been necessary for the purposes of the disposition of this application to make a decision as to the status of operators as employees within the definition contained in paragraph (i) of subsection 1 of section 2 of the Industrial Relations and Disputes Investigation Act.

The Board finds that a bargaining unit consisting of all employees of the Respondent classified as line drivers of leased tractors, including spare drivers and excluding operators and pick-up and delivery drivers, to be an appropriate unit for collective bargaining.

Based upon the report of the Board's investigating officer following his check of the records of the Respondent and the membership records of the Applicant and other evidence given, the Board finds that at the date of the making of the application for certification there were 201 employees in the proposed bargaining unit of whom 119 were members in good standing of the Applicant, and orders that the Applicant be certified as the bargaining agent of the employees in the said unit.

(Sgd.) A. H. Brown,  
Chairman, for the Board

R. E. Cocking, Esq. for the Applicant  
J. W. G. Macdougall, Esq., Q. C. )  
J. L. Brean, Esq. ) for the Respondent

Dated at Ottawa, May 11, 1966.

Reasons for Judgment in Application for Certification Affecting

Local 979 of the International Brotherhood of Teamsters	Applicant
and	
Arrow Transit Lines Ltd.	Respondent

The Board consisted of A. H. Brown, Chairman, and E. R. Complin, J. A. D'Aoust, A. J. Hills, and Donald MacDonald, Members. The judgment of the Board was delivered by the Chairman.

The Respondent is a corporate commercial common carrier engaged in the hauling of freight by road transport between Winnipeg, Man., and Toronto, Ont., and Montreal, Que., including pick-up and delivery of freight en route between these points. It also operates a city pick-up and

delivery service in Winnipeg, which is not involved herein. The Respondent holds commercial carrier route franchise licences authorizing it to operate on prescribed routes in its line haul interprovincial and interstate operations issued by the Manitoba Motor Carrier Board, the Ontario Highway



Transport Board, the Quebec Transport Board and a corridor route licence through states of the United States issued by the U.S. Interstate Commerce Commission. These route franchise licences are essential to the carrying-on of the Respondent's line haul transport operations.

The Respondent's head office is in Winnipeg, Man., and it has freight terminals at Winnipeg, Toronto and Montreal.

The trailers in which the freight transported by the Respondent is carried are the property of the Respondent. The line haul tractors used by the Respondent to haul its trailers are obtained for use for this purpose by the Respondent under agreements with the tractor owners. The services of two drivers are required ordinarily in the operation of a tractor to haul the trailer on line haul operations. One of these drivers is ordinarily the tractor owner, and the other a driver-helper.

The Applicant applies to be certified as bargaining agent for a unit of employees of the Respondent consisting of tractor owners who drive their tractors on line haul operations and who are hereinafter called "owner-drivers". There were 17 persons in this category at date of the application for certification.

The Applicant has made an application also to be certified as bargaining agent for a separate unit of employees of the Respondent consisting of driver-helpers employed as drivers of the tractors used in the line haul operations of the Respondent who are hereinafter referred to as "driver-helpers".

The Respondent contends that the owner-drivers are not its employees and are independent contractors, and contends also that each driver-helper is the employee of the owner of the tractor which the driver-helper is employed to drive and not an employee of the Respondent. These are the basic issues involved in the consideration of the applications.

The Respondent secures the use of the tractors for the hauling of its trailers in its line haul operations under an agreement in standard form and uniform content between the Respondent and an owner-driver, under which a tractor owned by the owner-driver is sold and assigned to the Respondent for the period the agreement is in force with provision for transfer back to the owner-driver upon termination thereof. The Respondent agrees to pay the owner-driver for the use of the tractor (1) a rate of 26½¢ a mile for loaded mileage driven for the Respondent on all runs requiring the services of two drivers but reduced to 25¢ a mile on the infrequent runs where the services of only one driver are required, and reduced to a rate of 23¢ a mile for mileage driven empty, and (2) a rate of \$4.00 an hour for use of tractor and a driver to perform pick-up or delivery in a terminal area when required by the Respondent. From the evidence it would appear that these are standard rates of remuneration for owner-drivers established unilaterally by the Respondent, which have been in force for several years and have been generally accepted by the individual owner-driver without question in entering into the agreement with the Respondent.

Under other provisions of the agreement, insurance on the tractor is placed by the Respondent under a fleet contract in specified amounts (beyond specified deductibles for which the owner-driver is responsible) for collision, fire and theft, public liability, and property damage and cargo damage. The cost thereof is paid for by the owner-driver from moneys payable to the owner-driver under the agreement by a deduction of 1¢ a mile from the mileage rate paid. Respondent deducts 1¢ a mile also from amounts payable to the owner-driver to establish a reserve fund for payment of deductible

insurance amounts for which the owner-driver is liable as a result of accidents and any other debts owing the Respondent by him. The owner-driver agrees, inter alia, (1) to drive the tractor himself or to provide and pay the operator of the unit from the revenue received by him under the agreement, (2) to provide service in accordance with the standards of the Respondent as set forth in the agreement to ensure efficient and safe service, (3) that he will be responsible for damage to the Respondent's trailer and cargo carried therein and for public liability and property damage up to amounts specified, (4) that he will pay the operating costs of the tractor unit out of the compensation paid to him, including driver's wages, gas and oil, maintenance of tractor, and will maintain the tractor properly and observe all safety requirements of regulatory bodies and pay all penalties incurred by him or his employees for violation of state or provincial ordinances, and (5) that he is an independent contractor and nothing in the agreement classifies him as an employee.

Either party may terminate the agreement on 30 days notice and, in event of termination, the Respondent will transfer the tractor back to the owner-driver. Otherwise the agreement operates for a year subject to automatic renewal unless terminated by either party on 30 days notice.

The standards of the Respondent set forth in the agreement to ensure safe and efficient service for the Respondent and its customers and in the interests of public highway safety are as follows:

- (a) Owner must be at least 30 years of age.
- (b) Owner must be of good character, integrity and honesty.
- (c) Owner must pass a written examination on standards of operation and safety performance approved by an agent of the company.
- (d) Owner is required to fulfil his responsibilities, as an employer, under the requirements of the Workmen's Compensation Act in the jurisdictions in which he operates, the Dominion labour laws, the requirements of the Unemployment Insurance Act and the Department of National Revenue, in regards to any of his employees.
- (e) Owner agrees that any employee engaged by him will be subject to the standards as set forth in this agreement, and further that the agent of the company will approve such employee for and on his behalf.
- (f) Owner will be responsible to see that his employees carry out their duties in accordance with the standards set down between the company and himself, in contracting to perform this service.
- (g) Owner agrees that the company has the right to install in his unit a tachograph or similar device that records the speed and operation of the vehicle in such a manner to insure the company that a safe standard of operation is being adhered to by himself and his employees.
- (h) The owner further agrees to permit the company to install the charts for this tachograph or similar device, and to submit these charts to the company to insure the company that he or his employees are performing the service according to the standards outlined in this agreement.
- (i) Owner further agrees that the company through its agent has the right to inspect the operation of the unit from time to time, at the terminals or on the streets and highways, in order to see that the standards required in this agreement are adhered to at all times.

Other factors brought out in evidence are:

1. All commercial carrier route franchise licences for the routes over which the Respondent operates are issued



and held in the name of the Respondent and both tractor and trailer vehicle licences used in the Respondent's line haul operations under these route franchise licences are taken out by and in the name of the Respondent in compliance with provincial and state vehicle licensing requirements. In the province of Quebec, however, tractor road licences are taken out in the name of the tractor owner under the carrier's route franchise licence. Conditions attaching to the issue of route franchise licences issued by the United States Interstate Commerce Commission and provincial route franchise licensing authorities make the licensee responsible with respect to the safety of operations carried on under the licence and the maintenance of vehicles used in operations under the licence, including the qualifications of the drivers thereof, and for compliance with the requirements of the licensing authority with respect to maximum hours of work and minimum wages for the drivers and the maintenance and filing with the licensing authority of drivers' trip logs and other reports, and for the observance of municipal, provincial and state speed and other road safety provisions and for compliance with the Lord's Day Act in Ontario by drivers of the vehicles, and payment of provincial and state fuel tax on the fuel used in the operation of the vehicles. The conditions require the licensee also to maintain an insurance fund or policies to satisfy all liabilities for public liability and property damage arising out of the ownership, maintenance and operation of the vehicles used in the Respondent's operation under the route licence.

2. Respondent has the exclusive use of the tractor covered by the agreement for hauling purposes while the agreement is in force.

3. The tractors carry the name and are painted in the fleet colours of the Respondent.

4. Tractor drivers are required to submit trip reports in prescribed form to the Respondent for each trip.

5. Respondent installs a tachograph on each tractor to record the vehicle's operating speed for check purposes.

6. The routing of the vehicle on each trip is the responsibility of the Respondent's dispatcher and is given by him to the owner-driver. This routing is specific where cargo is to be picked up or put down en route or is perishable in nature requiring checks en route. Subject thereto, the owner-driver is accorded discretion as to which of alternative routes open he may take although paid only for the number of miles prescribed on the Respondent's bulletin board for the most direct route, but he must report the specific route he proposes to follow. The trips and other work assignments are assigned and scheduled by the Respondent's dispatcher or night foreman.

7. Each owner-driver is required to complete an application for employment on the Respondent's standard form and must pass the driving competency tests prescribed by the Respondent's safety director to his satisfaction and satisfy the Respondent as to personal qualifications. Driver-helpers are ordinarily recruited through the Respondent's office from the list of screened qualified drivers maintained by it, and, in any event if recruited by the owner-driver, must complete the same application form and pass the same driving tests and be approved by the Respondent as to driving and personal qualifications prior to acceptance of employment as a driver of Respondent's vehicles as in the case of the owner-driver.

8. An owner-driver may reject a driver-helper offered him from the Respondent's screened list and he may dispense with the services of his driver-helper for his own reasons. On the other hand, where the performance of a driver-helper

is unsatisfactory to the Respondent the Respondent may take effective action to invoke disciplinary measures or bring about the termination of his employment on the tractor through and in consultation with the owner-driver, and in event of disagreement, by possible termination of the agreement; the services of an owner-driver as a driver are in like manner subject to disciplinary action or termination if found unsatisfactory by the Respondent.

9. Respondent exercises effective detailed control and direction over the loading and unloading and road operations of the owner-drivers and driver-helpers both as to what is to be done and the manner in which it is to be done through the issue of Rules and Directions addressed to the owner-operator. Compliance with these directions may be secured under the sanction if necessary of possible termination of the agreement with the owner-driver.

10. The owner-driver makes his own arrangements with his driver-helper as to the remuneration he will pay him and is responsible for deduction of income tax and unemployment insurance contributions for him from the driver-helper's pay and is responsible to pay the employer's contribution for unemployment insurance as well as workmen's compensation out of the remuneration he receives under the agreement.

There is no doubt that the effective ownership, control and possession of the tractor covered by the agreement with the owner-driver is in the Respondent during the time the agreement is in force and that these tractors are operated by the Respondent in the course of its trucking business. The conditions attaching to the route franchise licences held by the Respondent in the several jurisdictions in which it operates require the Respondent to be the operative authority responsible for compliance therewith. In the opinion of the Board, the general scheme of operation and the arrangements in effect are substantially the same in principle as those considered by the Board in its reasons for judgment in cases of Line Drivers Local 605 and Gill Interprovincial Lines Ltd., 62 C. L. L. C. para. 16231, and Truckers Local 362 and Pacific Inland Express Ltd., 63 C. L. L. C. para. 16258. The provisions and arrangements in effect covering payment for the tractor and driver are practically the same as in the Pacific Inland Express case.

In the Privy Council judgment in *Montreal vs Montreal Locomotive Works* (1947) 1 D.L.R. p. 161 at p. 169, Lord Wright, after setting forth a fourfold test for use in some cases in determination of the relationship of master and servant or agency or independent contractorship, namely (1) control, (2) ownership of tools, (3) chance of profit, (4) risk of loss, went on to say:

In many cases the question can only be settled by examining the whole of the various elements which constitute the relationship between the parties. In this way it is in some cases possible to decide the issue by raising as the crucial question whose business is it, or in other words by asking whether the party is carrying on the business, in the sense of carrying it on for himself or on his own behalf and not merely for a superior.

The Board is of opinion on the particular facts of this case that the arrangements between the Respondent and the owner-driver establish that the relationship between the Respondent and the owner-driver is that of employer and employee but is also of opinion that under these arrangements the authority, responsibilities and discretions accorded to and exercised by the owner-driver in relation to the operation of his tractor in the service of the Respondent and in relation

to the employment and termination of employment of the driver-helpers employed thereon and arrangements for their remuneration constitute the exercise of management functions by the owner-driver which bring him within the exceptions contained in subparagraph (i) of paragraph (i) of subsection one of section two of the Industrial Relations and Disputes Investigation Act.

The Board finds accordingly that the proposed unit of employees of the Respondent classified as owner-driver is inappropriate for collective bargaining under the provisions of the Industrial Relations and Disputes Investigation Act and rejects the application for certification in respect of this unit.

We now turn to the consideration of the application for certification for a unit of employees of the Respondent classified as driver-helper.

Having reached the conclusion that the owner-driver is not an independent contractor and that an employer-employee relationship exists between the Respondent and the owner-driver, the Board is of opinion that the owner-driver is acting as an agent for the Respondent and not for himself when he selects and makes his arrangements with the driver-helpers. The Board concludes accordingly that the driver-helpers are employees of the Respondent within the meaning of the Industrial Relations and Disputes Investigation Act.

The Board finds that a unit of employees of the Respondent classified as driver-helper, employed in line haul operations constitutes an appropriate unit for collective bargaining and

that at the date of the application there were 15 employees in the unit of whom 8 were members in good standing of the Applicant. The application of the Applicant for certification as bargaining agent for this unit is granted.

(Sgd.) A. H. Brown,  
Chairman,  
for the majority of the Board

#### DISSENTING OPINION

We dissent with respect to the conclusion that the owner-drivers are not an appropriate unit for collective bargaining. We would have found this unit appropriate for collective bargaining and dealt with the application accordingly.

(Sgd.) Donald MacDonald,  
Member.

(Sgd.) J. A. D'Aoust,  
Member.

J. P. Nelligan, Esq., Q. C. )  
J. M. Chapman, Esq. ) for the Applicant.  
Ross Drouin, Esq., Q. C. ) for the Respondent.

Dated at Ottawa, May 31, 1966.





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# CONCILIATION BOARD REPORTS

## Conciliation Board Reports in disputes between

CKCV (Québec) Limitée  
and  
National Association of Broadcast Employees and Technicians  
—  
Quebec North Shore & Labrador Railway Company  
and  
International Association of Machinists  
—  
Ogilvie Flour Mills Company Ltd.  
and  
Le Syndicat national des employés de Ogilvie Flour Mills Company Ltd.  
—  
Polymer Corporation Limited  
and  
Oil, Chemical and Atomic Workers' International Union  
—  
Quebecair Inc.  
and  
International Association of Machinists  
—  
Dominion Auto Transit Company Limited — Dominion Auto Carriers Limited  
and  
International Brotherhood of Teamsters  
—  
The Hamilton Harbour Commissioners  
and  
Canadian Union of Public Employees

**A LABOUR GAZETTE SUPPLEMENT**

**CANADA DEPARTMENT OF LABOUR**

## CONCILIATION BOARD REPORTS

Report of Board of Conciliation and Investigation established to deal with dispute between

CKCV (Québec) Limitée  
and  
National Association of Broadcast Employees and Technicians

The Board of Conciliation and Investigation established to deal with a dispute between CKCV (Québec) Limitée, Quebec City, Que., and the National Association of Broadcast Employees and Technicians was under the chairmanship of Prof. André Desgagné of Quebec City. He was appointed by the Minister on the joint recommendation of the other two members of the Board, Claude Lavery of Montreal and Charles Cimon of Quebec City, who were previously appointed on the nomination of the company and union, respectively.

The report of the Chairman was concurred in by Mr. Lavery and constitutes the report of the Board. A minority report was made by Mr. Cimon. The reports were received by the Minister of Labour in June.

## (TRANSLATION)

On September 1, 1965, the Director of the Industrial Relations Branch of the Canada Department of Labour established a conciliation board to deal with a dispute between the above-mentioned parties. The members of that Board were Mr. Claude Lavery and Mr. Charles Cimon, respectively company nominee and union nominee, and Mr. André Desgagné, Chairman.

The Board held five (5) hearings, ten (10) deliberation meetings and four (4) mediation meetings.

After examination and deliberation, the Board recommends:

(a) that the parties agree to have the competent authority modify the certification certificate so that it corresponds to the present situation;

(b) that, the union nominee dissenting on several points, the attached text be the collective agreement binding the parties until April 30, 1968.

(Sgd.) André Desgagné,  
Chairman.

## COLLECTIVE AGREEMENT

between

CKCV (Québec) Ltée, hereinafter referred to as "the Employer"

and

The National Association of Broadcast Employees and Technicians (NABET) (AFL-CIO/CLC),  
hereinafter referred to as "the Union"

## (TRANSLATION)

## Article 1 Recognition and Jurisdiction

1.01 The Employer recognizes that the Union was duly certified by the Canada Labour Relations Board on May 21, 1954 as bargaining agent to represent the employees in conformity with the recognition certificate modified on April 25, 1963, as mentioned hereunder, for the purpose of signing a collective labour agreement, all of which in conformity with the provisions of the Industrial Relations and Disputes Investigation Act (R.S.C. 1952, Chap. 152).

1.02 The certification empowers the Union to represent the employees of CKCV (Québec) Limitée, Quebec, Que., including the employees classified as announcer (male and female), news reporter, operator technician, maintenance technician, script writer, steno-

typist, record librarian, receptionist, record library clerk, clerk-typist, office clerk, traffic clerk, program schedule clerk, booking clerk, office boy, but excluding the general manager, the manager, the comptroller, the chief of personnel, the accountant, the assistant accountant, the engineer, the director of programming, the director of commercial service, the director of sales promotion and traffic, the chief of production, the French secretary and the English secretary of the general manager, and salesmen.

## Article 2

## Purpose

2.01 The purpose of this agreement is to promote good relations between the Employer and the employee, to ensure, on the one hand, greater efficiency and



protection of property, and, on the other hand, to establish working and employment conditions giving justice to all.

### Article 3 Co-operation

3.01 On the one hand, the Employer promises to treat his employees with consideration, and on the other hand, the Union promises to promote discipline in the station and to encourage the employees to produce loyal and honest work.

3.02 The effect of any provision of this agreement can be suspended by a written agreement between the Employer and the Union. The agreements thus entered into will apply solely to the case(s) mentioned in each of them.

### Article 4 Definition of Terms

4.01 For the purposes of application of the present agreement, the words "regular employee" mean every employee having ninety (90) days of continuous service with the Employer or having thirty (30) days if he has at least sixty (60) days' experience in the section of the service for which he is applying for employment at the station.

4.02 Every new employee will be considered on trial for a period of ninety (90) continuous days if he has no experience in the section of the service for which he is applying for employment at the station, and for a period of thirty (30) days if he has at least sixty (60) days' experience in the section of the service for which he is applying for employment at the station. Such an employee will be entitled to the benefits of the present agreement, except for family leave, sick leave and for seniority rights given in Article 16. The dismissal of such an employee would not be subject to the grievance procedure.

4.03 The words "extra or temporary employee" mean every employee hired in an intermittent, irregular and definite way. These employees are not entitled to the benefits of the agreement, except those in connection with wages and hours of work, and in these two cases, to the grievance procedure.

### Article 5 Mutual Rights

5.01 The Employer recognizes that the Union is the only labour union authorized to negotiate with it on behalf of the employees affected by the agreement, on all matters concerning wages and other working and employment conditions according to the agreement provisions.

5.02 The Employer promises not to discriminate against his employees for their membership or non-membership in the Union, not to prevent any employee from becoming a union member, not to intervene nor interfere in union matters.

5.03 The Employer retains all the rights that are not specifically restricted in the present agreement, including, without limiting it, the right to direct personnel, to maintain order, discipline and efficiency, the whole in compliance with the provisions of the present agreement.

5.04 Nothing in this agreement should be interpreted as a renunciation of any right or obligation of the Employer, of the employees or of the Union, under any applicable Act, present or future, federal or provincial.

### Article 6 Strike and Lock-Out

6.01 To ensure an orderly procedure for the settlement of grievances liable to occur during the term of

this agreement, the employees, on the one hand, promise not to strike, not to slow down work, not to stop work, not to discontinue or interrupt work, either completely or partially; the Employer, on the other hand, promises not to lock out the employees.

The Union promises that there will be no individual work limitation by its members. The Employer and the Union promise to co-operate to ensure that this article will be respected.

### Article 7 Union Security

7.01 Every present employee in good standing with the Union and every employee hired after the coming into force of this agreement and who has reached the status of regular employee must, as a condition of employment, remain or, as the case may be, become a member of the Union and sign the authorization for union dues check-off and give it to the Employer as provided in Appendix B attached.

7.02 Notwithstanding the provisions of the previous paragraph of this article, the Employer will not have to dismiss an employee expelled or suspended from the ranks of the Union for reasons other than non-payment of entry fees and union dues. In such a case, however, the Union may require that such employee continue to pay his dues till the present agreement expires.

7.03 However, every employee has the right to stop being a Union member or to revoke the union dues check-off without losing his job, by giving the Union President and the Employer, in the thirty (30) days preceding the expiry or renewal of the agreement, a written and duly signed revocation.

### Article 8 Union Dues Check-Off

8.01 The Employer promises the Union to check off union dues as provided in Appendix B, which is part of the present agreement.

8.02 These dues are to be remitted each month, by cheque, to the union office, not later than the fifteenth day of the month following the deductions.

### Article 9 Duration of Employment and Notice of Dismissal

9.01 An employee may not be suspended or dismissed without just cause.

9.02 When the Employer wishes to end an employee's employment, he must, except in the case of a serious or repeated and flagrant offence, give him a written notice to this effect of at least one (1) week, in the case of an employee subject to the present agreement with less than one year of service, or of two (2) weeks, in the case of an employee with more than one year of service.

For want of advance notice, the Employer shall pay the employee a sum equivalent to one (1) or two (2) weeks' wages, as the case may be, calculated at his regular rate.

9.03 Also, when an employee wants to leave the service of the Employer, he shall give him notice of one (1) or two (2) weeks, as the case may be, and, if he does not do so without a good reason, the Employer shall withhold from the employee's wages and other benefits due him a sum equivalent to the wages of one (1) or two (2) regular weeks of work.

9.04 The Employer will give a letter of recommendation to the dismissed employee who requests it.

### Article 10 Posting of Notices

10.01 Union notices may be posted at the usual places on boards designated to that effect by the



Employer. No document will be thus posted without first having been approved by the Employer and signed by the President of the local here concerned.

#### Article 11 Leave for Union Business

11.01 After agreement with the Employer, a maximum of two (2) union members may be granted leave without pay in order to take part in union activities such as an annual convention and other similar meetings. These employees must notify the Employer a few days in advance of the date they will be absent following a union notice to that effect.

#### Article 12 Good Relations Committee

12.01 In order to ensure the observance of this agreement, a Good Relations Committee will be formed within thirty (30) days of the signing of the said agreement.

12.02 This Good Relations Committee will be formed of four (4) members, of whom two will be designated by the Employer and two by the Union.

12.03 Besides seeing to and ensuring the observance of the agreement, the Good Relations Committee may examine the claims and grievances regularly submitted to it by the parties.

12.04 The Union and the Employer agree to give the other party the names of the members of this Good Relations Committee.

#### Article 13 Grievance Settlement Procedure

13.01 It is agreed to settle, as soon as possible and in good faith, any grievance, that is any dispute between the parties to the agreement or between persons bound by the latter or on behalf of whom the agreement was signed, concerning the meaning or the violation of the agreement.

13.02 Whoever feels his rights under this agreement have been wronged can present his case for investigation and hearing by means of the procedure hereinafter described.

13.03 The employee must submit his grievance in writing to his immediate supervisor or to the Good Relations Committee within fifteen (15) days of the occurrence or of his becoming aware of it.

13.04 If the immediate supervisor or, as the case may be, the Good Relations Committee does not give its decision within seven (7) working days of the presentation of the grievance or if the parties do not accept the decision rendered, either party may, on giving the other party notice within fifteen (15) days by registered letter accompanied by a copy of the grievance, submit the grievance to arbitration. The party thus submitting the grievance to arbitration shall at the same time give the name of the person it has nominated as member of the Board.

13.05 Within twelve (12) days after receipt of the notice, the other party shall inform the first party in writing of the name of the person it has chosen as member of the Board.

13.06 The two (2) members thus chosen shall, within fifteen (15) days of the date on which the second of them has been appointed, nominate as Chairman of the Arbitration Board a person who is willing and ready to act as such.

13.07 If either of the parties fails or neglects to nominate a person or if the persons nominated by the parties fail or neglect to nominate a Chairman or cannot agree on his nomination in the prescribed time limit, either party may ask the federal Minister of Labour to

appoint immediately the member or the Chairman who may not have been nominated as mentioned above. The person so appointed shall be deemed to have been appointed by the party concerned or by the members, as the case may be.

13.08 If the parties concur, they may sign a joint statement to the effect that they agree to submit the grievance to the arbitration of a single arbitrator mutually agreed upon or appointed by the federal Minister of Labour.

13.09 As soon as the Board is fully constituted, the Chairman or the single arbitrator must summon the parties for investigation and hearing. In the five (5) days preceding the inquiry and hearing, the parties may submit to the Board a joint memo or a separate memo describing the facts surrounding the grievance and setting forth the issue to be settled by the Board. The Arbitration Board shall be limited to the examination of the grievance described in the joint memo and shall render an award in compliance with the terms and provisions of this agreement.

13.10 The arbitration award, unanimous or majority, is final and binding. Any arbitration award must be communicated in writing to each party.

13.11 The Board may, if it deems it proper, order that an employee who has been suspended, fired or dismissed irregularly and contrary to the provisions of this agreement, be reinstated. It may also, if it deems it proper, set the compensation to which the employee would be entitled for wages and other benefits provided for in this agreement that such employee may have lost as a result of his dismissal, suspension or lay-off, and make any other appropriate recommendation.

13.12 Each party shall pay its own inquiry and arbitration costs. The Chairman's fees and expenses shall be paid for equally by the parties.

13.13 If either party considers that this agreement has been wrongly interpreted or violated in any way, it may, within 30 days of the occurrence of the grievance or of the date on which it became aware of it, refer it to the Good Relations Committee, which must dispose of it within seven (7) working days, then submit it directly to an Arbitration Board as provided for in Articles 13.5 et seq.

13.14 The above-mentioned time limits are compulsory but may be extended after written consent of the parties.

#### Article 14 Performance Report

14.01 The employee will be informed in writing, within fifteen (15) days, of any blame, complaints or accusations concerning discipline, his work and personal behaviour.

14.02 The employee may, within 15 days after receipt of the notice, give his version of the facts and his reply will be put in his personal file.

#### Article 15 Group Insurance

15.01 The Employer agrees to maintain in force for the duration of the present agreement the existing health insurance plan and to keep contributing 50 per cent of the premium.

#### Article 16 Seniority

16.01 Every new employee is considered as an employee on a trial basis for a period of ninety (90) days or thirty (30) days, as the case may be. After that period, the employee will be classified as a regular



employee and his seniority will run from the date of his last hiring.

16.02 There are two types of seniority: job seniority and company seniority.

Job seniority shall apply in cases of lay-offs, promotions and demotions in the following classifications: announcers, news writers, operators, script writers, record librarians, traffic clerks, office clerks.

Company seniority shall apply in cases of promotions from one job to another, transfers, reinstatements in a job where the employee has already acquired seniority.

16.03 Seniority will be lost in the following cases:

- a) Voluntary separation.
- b) Discharge for cause.
- c) Absence of over three (3) days without a good reason.
- d) Lay-off exceeding six (6) months.
- e) Sick leave exceeding one (1) year; this period may, however, be extended by the Employer if the employee requests it in writing.

16.04 The Employer shall provide, within the sixty (60) days of the coming into effect of this agreement, a list showing, for each employee, the job seniority and the company seniority. The list shall be brought up to date every six (6) months and a copy of it shall be sent to the representative of the Union local.

16.05 Seniority shall apply in cases of lay-offs, re-hirings, transfers, demotions and promotions as defined in the following provisions.

16.06 In cases of promotions, re-hirings or transfers equivalent to promotions, the Employer agrees to take into consideration the necessity of operations, seniority, competence and skill of each employee.

16.07 When the Employer decides to fill a vacant position in the bargaining unit, he shall do so by posting at the usual place a notice to that effect for a period of five (5) working days. Any employee covered by the agreement and, in his absence, the union representative for him, may make a written application to the Director of Personnel within the period as above provided. If no application is made within the time limit or if there is no applicant meeting the requirements of the above provision, the Employer may choose anyone he wishes.

16.08 In cases of dismissal or demotion, the Employer must proceed in inverse order to that of promotions. However, no employee can be displaced by another employee who has more Company seniority, unless the latter has the normal qualifications to fill the job held by the employee having less seniority.

#### Article 17 Sick Leave with Pay

17.01 In the case of illness or accident, other than those covered by the Workmen's Compensation Act (R.S.Q. 1964, Chap. 159), the employee will be entitled to his full wages for a period of time determined in the following manner.

17.02 For each complete month of continuous service from the date this agreement comes into force, a day called day of sick leave is credited to each employee. These days of sick leave are cumulative up to a maximum of 24 days including, in the case of present employees, the days of sick-leave already accumulated.

17.03 One (1) full month of service means one (1) calendar month during which the employee worked every working day. Only the absence caused by an accident sustained on duty and the absences provided for in the

present agreement do not interrupt the monthly continuous service.

17.04 The Employer may demand from the sick employee a doctor's certificate stating that he was unable to fill his usual duties.

17.05 The Employer may also have the sick employee examined by a doctor of his choice, and this, as often as he wishes.

17.06 The sick employee wishing to take advantage of days of sick leave will be entitled to receive his full wages only for the period corresponding to the number of days registered to his credit at the time of his absence.

17.07 The days of absence on account of illness must be deducted from the number of days the employee has to his credit. Afterwards, the employee may accumulate new days of sick leave in conformity with Article 17.02 until he has reached the maximum of 24 days.

#### Article 18 Leave for Family Reasons

18.01 In the case of the death of the father, mother, husband, wife, child, brother or sister, every employee can take three (3) days of leave with pay.

18.02 In the case of the death of the father-in-law, mother-in-law, a grandfather or a grandmother, every employee can take one (1) full day of leave with pay.

18.03 In the case of the wedding of a brother, a sister, a brother-in-law or a sister-in-law, every employee may arrange that his weekly day-off be changed to coincide with the wedding date, provided he makes a written request at least fifteen (15) days in advance.

18.04 A regular employee may obtain three (3) days leave for his own wedding.

18.05 Days of leave in accordance with the provisions of Articles 18.01 and 18.02 will be paid providing they do not coincide with a non-working day or with a holiday to which he would otherwise be entitled under the present agreement.

18.06 In all the above-mentioned cases, the employee must, except in the case of an act of God, warn the Employer before he leaves.

#### Article 19 General Holidays with Pay

19.01 For every employee covered by this agreement, the following days will be considered as general holidays with pay:

- a) New Year's Day;
- b) the day after New Year's Day;
- c) Good Friday or, by agreement, Easter Monday;
- d) St. Jean Baptiste Day;
- e) Dominion Day;
- f) Labour Day;
- g) Christmas Day;
- h) the day after Christmas Day.

19.02 When Christmas Day and New Year's Day fall on a Sunday or a Monday, the observance of these holidays will be transferred to the next day and the observation of the day after Christmas Day and the day after New Year's Day will be transferred to any other day on which the parties agree.

19.03 In the case where a general holiday with pay coincides with the weekly day-off or the annual vacations, the Employer and the employee may, by mutual agreement, transfer the said holiday to a later date as an alternative to paying for the holiday.

#### Article 20 Annual Leave

20.01 Every employee covered by this agreement will receive, after twelve (12) consecutive and unin-

interrupted months of service, two (2) weeks vacations with pay at the rate of four per cent (4%) of his wages, the whole in conformity with the Canada Labour (Standards) Code (S.C. 1964/65, Chap. 38).

20.02 Every employees covered by this agreement will receive, after five (5) years of service, an additional week's vacation paid at his regular wage rate.

20.03 Every employee who, on May 1st of each year, has not completed one year of continuous service with the Employer, will be entitled to one day of leave per month of service, the whole in conformity with the Canada Labour (Standards) Code (S.C. 1964/65, Chap. 38).

20.04 The period of continuous service entitling to such vacations runs from May 1st of each year to April 30 of the following year.

20.05 The period during which vacations may be taken extends from May 1st to October 1st of each year.

20.06 The Employer, after agreement with the persons concerned, will set the date of vacations of each employee by order of job seniority, and will post a list of vacation dates on or before May 1st of each year. Every employee may, with the Employer's permission, take his annual vacations outside that period. The Employer may, if the concerned persons agree, set the date of the third week of vacations outside that period.

20.07 In case the employee ceases to work, he will be entitled to remuneration for vacation days accumulated to the date of leaving, paid at the rate established in the above provisions.

#### Article 21 Job Classifications

21.01 The Employer and the Union recognize the importance of establishing job definitions in connection with the duties, with the description of the job and with the summary of responsibilities connected with the jobs held by the employees in the bargaining unit. These definitions, which make up Appendix A, are purely indicative.

21.02 However, the Employer agrees to notify the Union of any major change he may intend to make to these job definitions. The Employer agrees also to discuss with the Union, definitions of any new job included in the bargaining unit either through mutual consent, or through a decision of the competent authority.

#### Article 22 Salary Schedule

22.01 The employees subject to this agreement will be entitled to the following minimum salary:

Announcers (male and female)	
at hiring	70.00
after six (6) months	75.00
after one (1) year	80.00
News Writers	
Script writers	
at hiring	60.00
after six (6) months	65.00
after one (1) year	70.00
Record Librarians	
at hiring	55.00
after six (6) months	60.00
after one (1) year	65.00
Operators	
at hiring	55.00
after six (6) months	60.00
after one (1) year	65.00

#### Steno-Typists Traffic Clerks

at hiring	50.00
after six (6) months	52.50
after one (1) year	57.50

#### Telephone Operators Receptionists Office Clerks

at hiring	47.50
after six (6) months	50.00
after one (1) year	52.50

22.02 All employees who, on May 1, 1965, had been working for the employer for at least twelve (12) months and who will still be employed at the date this agreement comes into force will be entitled to an increase of five (5) dollars per week of work done during the period from May 1, 1965 to the date this agreement comes into force.

22.03 Every employee who, as a result of the application of 22.01, receives no salary increase will be entitled, from the date this agreement comes into force, to an increase of five (5) dollars a week, and, from May 1, 1967, to an increase of two (2) dollars a week.

22.04 The present agreement cannot, in any case, have the effect of reducing the salary that employees are earning at the present time.

22.05 Every employee specifically designated and recognized by the Employer as Chief will be entitled to a weekly differential of ten (10) dollars higher than the highest salary paid in the job concerned or of the applicable salary schedule, whichever is higher.

22.06 If a free-lance announcer is used on a program, the whole of the services of the salaried station announcers shall however be maintained, in accordance with the conditions of the present agreement.

#### Article 23 Temporary and Permanent Transfer

23.01 In cases of temporary transfer of an employee from a lower-paid classification to a higher-paid classification, the employee shall be paid at the rate of the new classification, provided he works at this new position for at least one complete pay period. In the case of a permanent transfer, the Union must be informed.

23.02 Every employee requested to undertake a lower-paid job than the one that he usually performs shall be paid his usual salary, unless it is the case of a definite change of classification, in which case the employee shall receive the salary set for this new classification.

23.03 In both cases, the employee shall continue to progress in the salary schedule on the anniversary dates in effect before the change.

#### Article 24 Hours of Work

24.01 The work week begins at 12.01 a.m. on Sunday and ends at midnight on Saturday.

24.02 The Employer shall set up work schedules and make every effort to distribute the work as equally and equitably as possible among all the employees.

24.03 The normal work week of announcers (male and female), news writers, operators and receptionists shall be of 38 hours a week spread over five (5) days.

24.04 For the other employees, the regular work week shall be of 37½ hours a week spread over five (5) days, Monday to Friday inclusive.

24.05 There shall be a turn-around period of at least 12 consecutive hours between the end of one work day and the beginning of the next. Any work carried out



during this 12-hour turn-around period shall be paid at the overtime rate.

24.06 The daily work schedule of each employee shall be posted at least one (1) week in advance.

24.07 The Employer may, according to circumstances, make changes in the daily schedule provided he gives twenty-four (24) hours notice or, if the change affects the weekly day off, forty-eight (48) hours before the hour changed. Changes may also be made, on a simple notice to that effect, in quite exceptional circumstances in the news department or in the case of unforeseeable technical difficulties or, without notice, after agreement with the employee.

#### Article 25 Meal Periods

25.01 Operating employees have no set hours for meals. Others have one and a half (1½) hours for their meal.

#### Article 26 Overtime

26.01 When an employee is requested to work more than the hours scheduled in Paragraphs 24.01 and 24.07, he shall be paid time and a half his regular pay.

26.02 The normal work week shall be reduced from the scheduled number of hours in the following cases:

- a) In the case of a general holiday with pay;
- b) When a weekly day off is changed;
- c) In the case of an absence provided for in the agreement.

26.03 Overtime applies to hours worked beyond the normal week thus reduced.

26.04 When the following employees — news writers, announcers, operators, telephone operators — work on a general holiday with pay to which they are entitled, they shall be paid at their regular rate plus the pay for the holiday. Upon mutual consent, the Employer and the employee may, as an alternative to payment for the holiday, transfer the said holiday to a later date.

26.05 When employees other than those mentioned in the previous paragraph are called to work on a general holiday with pay to which they are entitled, they shall be paid time and a half plus the pay for the holiday. Upon mutual consent, the Employer and the employee may, as an alternative to payment for the holiday, transfer the said holiday to a later date.

26.06 When an employee is required to work on a scheduled weekly day off, he shall be paid time and a half of his basic salary, calculated separately from the work week, with a minimum credit of six (6) hours.

#### Article 27 Call-Back to Work

27.01 Every employee called back to work after having completed his regular hours and who has been notified of it before leaving the station, shall be paid the equivalent of at least three (3) hours of work calculated on the basis of his regular rate or of overtime, should it apply.

#### Article 28 Travelling Expenses

28.01 Every employee will be re-imbursed for travelling expenses and other expenses when such expenses are reasonable, necessary and authorized by the Employer.

#### Article 29 Fees

29.01 Every employee who has an interest in a particular contract where a fee is paid shall have the right to examine only that part of the contract which concerns him. This provision is not designed to permit station employees, even those with an interest in the

contracts, to have the right to be informed on agreements signed between the station and its clients. Its only object is to give the employee concerned the privilege of seeing that, in that same agreement, he is protected as regards the fees he is to receive.

#### Article 30 Duration of Agreement

30.01 Unless it is expressly indicated, this agreement will come into force on the day it is signed and will remain in force for a period of two (2) years from that date.

30.02 It will be renewed automatically from year to year unless one of the parties, within 90 days prior to its expiry, notifies the other party in writing of its intention to terminate or change it.

#### CONCURRENCE OF CLAUDE LAVERY

Mr. André Desgagné,  
Chairman of the Board of Conciliation.

Dear Colleague,

Following our last meeting on the preparation of the recommendation of the Board in this matter and after studying carefully the collective agreement draft that you proposed in your report, I wish to inform you that I endorse this draft agreement.

I accordingly authorize you to pass on to the Minister of Labour along with your report my concurrence in that recommendation as arbitrator.

Your truly,

(Sgd.) Claude Lavery,  
Member.

#### MINORITY REPORT OF CHARLES CIMON

Mr. André Desgagné,  
Chairman of the Conciliation Board.

Dear Sir,

After reading your report, that is, the draft collective agreement between CKCV (Québec) Limitée and the National Association of Broadcast Employees and Technicians (NABET), I would like to inform you that I endorse all the Sections of your report, except the following: 9.03, 13.09, 16.06, 16.07, 21.01, 21.02, 22.01, 22.02, 22.03, 22.04, 22.06, 24.03 and 24.07, for the following reasons:

9.03 The principle established in this section by which the employer will deduct the employee's wages and other benefits to which he is entitled an amount equivalent to the wages of one or two weeks of work is very bad and is likely to create serious abuses on the part of the employer; it can easily be presumed that the employer will always find that there was no valid reason for the employee to omit giving the notice.

This principle will certainly result in creating unnecessary conflicts between labour and management.

13.09: In this Section, you remove a very important principle which, in my opinion, existed in the previous collective agreement, limiting the arbitration board to the consideration of the dispute described in the memo or memos which would be submitted to it.

In Sections 13.12 and 13.13 of the previous collective agreement, it was indeed stated that the

parties could submit to the members of the board a "joint memo or one, or separate memos, prepared by the employer and/or the Union"; the arbitration board was limited to consideration of the dispute described in the memo or memos submitted to it.

In this Section, the arbitration board will be limited to consideration of the grievance only when it is described in a joint memo.

I take the liberty of presuming that this proposed Section completely removes the principle of limitation of the grievance, because I cannot very well see the parties meeting to prepare a joint memo when they are at the stage of arbitration procedure.

Such abolition of the principle that had been established in Sections 13.12 and 13.13 of the previous agreement will bring about very lengthy and consequently very costly arbitrations.

To what prejudice were the parties submitted in the previous agreement since each had the right to present its own memo?

16.07: I feel that five working days is a very short period to give the employees notice that there is a job available in the bargaining unit; a period of at least ten days would have been more logical.

Moreover, a principle established in the previous agreement (16.06, 2nd sentence, previous text), and which read as follows, was omitted in your report: "Subject to the provisions of Section 16.05, the employees covered by the bargaining unit will be given preference to fill the vacant job over any outside person." This principle was clear and comprehensible. It should have been included again.

You might perhaps claim that this principle exists if we examine the whole article 16 in your report. I thus take the liberty to reply to you that, in union matters, it is very important that the principles be established very explicitly in a collective agreement so that those who do not have legal training may easily understand the terms of their agreement. Many disputes are thus avoided.

21.01: The principle you establish to the effect that the definitions of employment will be purely indicative makes this section useless and ineffective. What use defining if the employer does not have to comply with the definition.

21.02: The fact that the employer has to inform the union only when he feels he is bringing a major change to the definitions makes this section ineffective. It is easy to presume that the employer will more often tend to consider that the changes are minor and will consequently neglect to advise the union.

Moreover, even if you had suggested that the employer agree to inform the union of all major and minor modifications he intends to make to these job definitions, this suggestion would nevertheless be useless because management could always play on the fact that the job definitions are only indicative.

22.01, 22.02, 22.03: In union matters, a principle that appears highly unjust to me is that of negotiating only the wages of those who have been working in the plant concerned less than one year.

According to your report, I find that none of the employees of CKCV (Québec) Limitée come in the wage schedule of the different duties indicated in Section 22.01, since all those working for CKCV as of April 30, 1966 have more than one year of service at the present date, which means that in the future each employee will have to negotiate his wages individually with the employer.

How can a union be useful in the industry with which we are concerned if it cannot negotiate the real rate of the job of each of those who are members of the bargaining unit?

After examining these sections closely, my dissent is still greater because I found in [one] exhibit that if the collective agreement in force from May 1, 1963 to May 1, 1965 had been renewed automatically, at least two employees would have received higher increases than those they will receive in your proposal: I am referring to Mr. Jacques Moisan and Miss Francine Poliquin, who will lose \$3.00 and \$7.50 respectively with your proposal.

Moreover, I found that only eight employees out of twenty-three will be able to take advantage of Section 22.02 and thus receive a retroactive increase of \$5.00 a week. They are: Miss Louise Leclerc, Messrs. F. Grondin, B. Brochu, G. Valin, G. Martin, Pat O'Regan, F. Bussièrès and Miss Michèle Lefèvre and Mr. A. Duchesneau.

Always according to the list of employees at April 30, 1965, there are only eight employees out of twenty-three who will gain full benefit from the increases suggested in Sections 22.02 and 22.03.

I also found that if the previous collective agreement had been renewed automatically, the average wage of employees in the bargaining unit, which was \$67.02 a week on April 30, 1965, would be \$73.73 a week at April 30, 1967.

Your suggestion of a collective agreement ending on or about May 31, 1968 would set the average weekly salary at about \$76.00, which means an average increase of \$3.00 a week.

According to the evidence given before the Conciliation Board, statistics indicate that the average weekly wages in Canada in the field of Transportation and Communications, which includes Radio and Television, ranged between \$100.00 and \$115.00 in April 1965, while the union suggestion, had it been accepted, would establish the average wages at \$94.86 a week and this only at April 30, 1967. This is why I cannot but find the union request fair and equitable.

Moreover, after an examination of the collective agreement signed by La Tribune Inc. and the National Association of Broadcast Employees and Technicians, in force from July 1, 1965 to June 30, 1968, one is astonished to find that the wage schedules negotiated are very high in comparison with those in the Quebec area, which is nevertheless considered a much more important area than that of Sherbrooke. The same situation is found on examining the collective agreements which have recently been signed in the Saguenay area.

22.06: I cannot understand why the previous text of the agreement (21.04) was not maintained, since it was clear and did not lead to any confusion.

22.03: I equally do not understand why you did not agree to grant the union's request to confirm the right of the announcers (male and female), news writers, operators and receptionists to a weekly rest of two days.

I consider the union request as basic, since its aim is to avoid making the above-mentioned employees work 7 days a week, by spreading the normal 38-hour work week over a period of 7 days. (marginal note: "My disagreement with 24.03 no longer exists since you have agreed to change it.")



24.07: I agree with the first sentence of this section; my disagreement with the second sentence is based on the principle that it is fair and equitable that an employee receive a monetary compensation when his schedule is changed on a simple notice, because these employees have particularly irregular hours of work in the field of radio and television. Most of the time when their schedule is upset, the schedule of their whole family may also be upset.

If the consequence of the absence of this

second sentence was to prevent the employer from having at his service the employees required during these exceptional circumstances, I could not have been in disagreement, but when it is only a matter of depriving the employee of the monetary compensation to which he is entitled, I cannot but disagree.

Yours truly,

(Sgd.) Charles Cimon,  
Member.

Report of Board of Conciliation and Investigation established to deal with dispute between  
Quebec North Shore and Labrador Railway Company  
and

International Association of Machinists

The Board of Conciliation and Investigation established to deal with a dispute between Quebec North Shore and Labrador Railway Company, Sept-Iles, Que., and Lodge 767 of the International Association of Machinists was under the chairmanship of the Hon. Mr. Justice Evender Veilleux of Sherbrooke, Que. He was appointed by the Minister on the joint recommendation of the other two members of the Board, P.L. Dessaulles, Q.C., and Marc Lapointe, both of Montreal, who were previously appointed on the nomination of the company and union, respectively.

The report of the Board was received by the Minister of Labour in June.

(TRANSLATION)

The Conciliation Board was established in accordance with Chapter 152, Section 28 of the Industrial Relations and Disputes Investigation Act.

The parties had already negotiated for the renewal of their collective agreement but had failed to come to an understanding on certain matters which have been referred to us.

It is important to add, however, that the parties explained, at the public hearings, that relations between them had been established at the signing of a group of collective agreements. In this regard, the parties also submitted that a certificate had been granted to the "syndicate" for a new group of employees, and for this group it is a matter of a first collective agreement. The following recommendations, we submit, should apply to the group of employees covered by this new certificate.

The union has already prepared a draft agreement, which it appended to its statement. The main points at issue submitted to us are the following:

Group A, Article 3 - Jurisdiction

Group A, Article 4.01 - Hours of Work and Wage Rates

Group B, Article 4.01 - Hours of Work

Group A & B 1) Article 14.02 - Overtime, Sunday Work, Saturday Work.

2) Article 14.06 - Compensation pay during lay-off.

3) Article 20 - Annual Vacations, additional vacation plan.

4) Article 21 - Sick Leave.

5) Article 25 - Technological changes.

6) Article 27 - Social Security (group insurance).

7) Article 27 - Social Security (retirement (or pension) fund).

8) Article 33 - Term of Agreement.

Group A, Article 3 - Jurisdiction

The Board of Conciliation, after having analyzed the evidence concerning this article, recom-

mends that the parties insert in the collective agreement an article as follows:

Jurisdiction 3.01 - (governed by this agreement are all employees whose classification appears in Appendix A and who are in the employ of the railway at all points where they are or may be assigned or affected. The railway agrees not to contract out to a subcontractor any work normally carried out by its employees covered by the said certificate and which is within the competence of the said employees. However, the railway could have recourse to the services of subcontractors for the carrying out of specialized work which cannot be done by the railway gang.

The company representative wishes to register his dissent.

Group A, Article 4.01 - Hours of Work and Wage Rates

The Conciliation Board recommends a reduction in hours of work with full compensation. As of the effective date of this agreement, the hours of work shall be 45 hours a week for the remainder of the first year and for the second year. Concerning the third year of this contract, the majority of the Board members, the company representative dissenting, recommends a week of 42½ hours with full compensation.

Connected to this reduction in the normal work week, the Board of Conciliation was also called upon to study a union demand for a wage increase based on the increase in the cost-of-living. The Conciliation Board unanimously recommends that an increase of 5 cents for each hour worked be granted to each of the employees covered by certificate in the bargaining unit as of the termination of the previous collective agreement and this, until the end of the first year of the collective agreement to be concluded between the parties.

For the second year of the collective agreement to be concluded between the parties, the Board of Conciliation recommends an additional increase of

5 cents an hour to provide for the increase in the cost-of-living and this, for each hour worked.

Still unanimously, the Board of Conciliation recommends a further additional increase of 5 cents an hour for each hour worked, during the third year of the collective agreement to be concluded between the parties.

In regards to request No. 3, that is to say, *Group B, Article 4.01, Hours of Work*, the Conciliation Board, after having studied the Association's demand, the counterproposal of management and the exhibits in support of the respective claims of the parties, recommends that the hours of work of these groups of clerical employees not be changed and that, moreover, they be granted the wage increase appearing in a proposal made by management annexed to the union statement, management proposal dated January 6, 1966, which reflects wage increases for the first year, second year and third year for those in the classifications appearing in the said exhibits and this increase on the basis of the actual wages to each of the said classifications for the class stipulated in the said exhibits.

Moreover, the Conciliation Board comes to the conclusion that it cannot accept the management proposal concerning the new employees, the reason being insufficient evidence on the part of management.

As for the starting rates of new employees they should be those which appear opposite each classification as being the actual wage rates plus the first-year increases proposed by the company.

Moreover, in the existing statutory increase system of remuneration of clerical employees, the union objected strongly to a proportion of the statutory increases being left to the discretion of the employer. In this regard, the Board of Conciliation recommends to the parties to abolish the "discretion" in regards to the possibilities for an employee to reach the maximum of the wages attached to his classification. The management representative declares his dissent in regard to the Conciliation Board recommendations on this item. The Conciliation Board makes this recommendation considering the lack of evidence which could justify or explain on what the merit system is based.

#### Group A & B, Articles 14.02 – Overtime, Work on Saturday and Sunday

The Board of Conciliation is of the opinion not to grant the demand of the Association for the payment of overtime for work done on Saturday and Sunday, since this operation is a continuous one, requiring that part of the personnel be working on Saturday and Sunday. The Board grants the increase of the premium from 15¢ to 25¢ an hour offered by the company above the regular wage.

The union nominee, while recognizing that the evidence adduced by the union was insufficient in this matter, was informed that, tacitly, the company actually pays time and one-half for all hours worked on Sunday. If that is the case, the union nominee recommends that this situation be made contractual and that, consequently, the employees who work on Sunday be paid on the basis of time and one-half plus 25¢ an hour, as offered by the company.

Concerning the union demands for remuneration for work on Saturday, the union nominee recommends that the regular rates be raised by 15¢ an hour for all hours worked that day.

#### Group A & B, Compensation Wage during layoff

On this matter, the Board of Conciliation, after having analyzed the evidence of the union and company, comes to the conclusion, with the company nominee dissenting, to change somewhat the union demand, while partly recognizing the justification of such a demand.

The Conciliation Board recommends that the parties set up a plan whereby, in case of a layoff due to lack of work, the employees so affected will be entitled to as many weeks with pay, at 60 per cent of their salary, as they will have accumulated completed years of service with the company.

#### Group A & B, Article 20 – Annual Vacations, Additional Vacation Plan

As for this article, the Board of Conciliation unanimously recommends to the parties the status quo.

#### Group A & B, Article 21 – Sick Leave

The Conciliation Board, after having studied the union demand for one day of sick leave at the usual basic wage rate per full month of service up to 90 working and payable days, has come to the conclusion to grant but a part of this demand, and that is, that the employees be entitled to one day of sick leave per month of service with the company. However, such days are not to be cumulative from year to year and will not be payable at the start. It is also well understood that this benefit will be granted only upon the presentation of a medical certificate by the sick employee attesting to his inability to work. The company nominee declares his dissent.

#### Group A & B, Article 25 – Technological Changes

After having studied the allegations of the parties in their written as well as their oral representation, the Board of Conciliation has come to the conclusion to recommend that the parties introduce in their collective agreement an article concerning technological changes, which would substantially read as follows:

The union recognizes the rights of management concerning changes in the methods and techniques of production, the control of the said production or the maintenance including the installation of automatic or semi-automatic equipment.

Moreover, there will be an advance notice from the company to the association, indicating the date of the installation of the new equipment, the nature of the innovation, the resulting tasks, the probable wage rate and the steps contemplated.

There shall be consultation at various levels between the company and the association before the new process is made effective.

The conditions by which the innovation will take place shall be submitted to negotiation between the parties and this negotiation will cover seniority, indemnities, the insurance and pension plan procedure and everything which can affect employment conditions and which is liable to vary or alter them. Also, the negotiations shall bear on the necessary training to facilitate the re-adaptation of the workers and avoid as much as possible layoffs and maintain a wage level at least equivalent, as well as in the rates to be paid for the new jobs.

The company nominee wishes to register his dissent in regard to this paragraph, being of the opinion that the clauses suggested by the company in its statement pertaining to technological changes and Article 25.02 on the proposed agreement pertaining to new func-



tions and modifications were deemed to be quite satisfactory for the purpose.

#### Group A & B, Article 27 – Social Security (group insurance)

As for the existing group insurance plan covering hospital, medical, surgical and other costs, it is suggested that the parties incorporate their agreement in a letter that the company shall give to the union and which the company should not object to have appended to the collective agreement. However, this insurance plan shall be subject to any changes which could be brought through any new legislation which could be adopted during the term of the agreement. More specifically, the Conciliation Board recognizes and recommends to the parties that any legislation that could enable the company to reduce its obligations without reducing employee benefits could be incorporated in the said plan and this in case of provincial legislation on health insurance.

#### Group A & B, Article 27 – Social Security (retirement (or pension) fund)

The Conciliation Board recommends that the parties proceed in the same manner in regards to this item as regards the preceding one.

#### Group A & B, Article 33 – Term of Agreement

We have already disposed of this item in the preceding recommendations: We recommend to the parties a collective agreement for a three-year term retroactive to the expiration date of the previous collective agreement.

The two parties mentioned to us that they had other matters which remained in dispute but as there was no evidence on the one part or the other about these questions, the Conciliation Board declares itself incapable of making any recommendations likely to be of service to the parties.

It therefore recommends that the parties meet again following these recommendations in order to pursue and complete their negotiations on this matter.

Respectfully submitted at  
Montreal, this 10th day of  
June, 1966.

(Sgd.) Evender Veilleux,  
Chairman.

(Sgd.) P. Dessaulles,  
Member.

(Sgd.) Marc Lapointe,  
Member.

#### Report of Board of Conciliation and Investigation established to deal with dispute between Ogilvie Flour Mills Company Ltd.

and

#### Le Syndicat national des employés de Ogilvie Flour Mills Co. Limited

The Board of Conciliation and Investigation established to deal with a dispute between Ogilvie Flour Mills Company Ltd., Montreal, and Le Syndicat national des employés de Ogilvie Flour Mills Co. Limited (CSN) was under the chairmanship of Harold Lande, Q.C., of Montreal, Que. He was appointed by the Minister on the joint recommendation of the other two members of the Board, W.M. Baker of Lachine, Que., and Jean-Denis Gagnon of Montreal, Que., who were previously appointed on the nomination of the company and union, respectively.

The Board's unanimous report was received by the Minister of Labour in June.

(Translation)

To the Honourable John R. Nicholson, Minister of Labour.

You formed a Conciliation Board under the terms of the Industrial Relations and Disputes Investigation Act, 1948, c. 54, s.1 to examine and make its recommendations to try and settle the dispute between the Ogilvie Flour Mills Ltd., Montreal, and the Syndicat national des employés de Ogilvie Flour Mills Ltd. (CNTU).

The Chairman of the Board was Harold Lande, Q.C., who had been appointed by you on the recommendation of both parties. Mr. W.M. Baker represented the Company on this Board and Solicitor Jean-Denis Gagnon represented the Syndicat national des employés de Ogilvie Flour Mills Ltd. (CNTU).

This Board heard the representations of both parties at two sittings held on June 15 and 17 respectively.

Having completed their inquiry, the members of the Board met on June 20, 1966, to prepare their recommendations and reports.

At this meeting, the members of the Board agreed to submit to you a report and recommendations addressed to the parties and endorsed by the Board as a whole.

The Board therefore recommends to the Minister that the dispute be solved in the following manner as regards each point still at issue following conciliation.

Pension Plan – The union insisted before the Board that the employees be able to withdraw the moneys invested in the pension fund. And they stated that they were ready to go on strike to win acceptance of their view on this matter. Although the Board cannot accept in principle the fact that employees withdraw before term amounts of money invested in a pension fund, we feel that since the employees make the withdrawal of their pension fund a condition preliminary to any settlement, we must, against our will and with much reserve, make the following recommendation, which is valid only if the employees accept the whole of the recommendations contained in the present report. The Board therefore recommends the following:

- a) That the employees voluntarily withdraw the amounts of money they deposited before January 1, 1966, in the pension plan then in effect, following the requirements of the Act;
- b) However, the employees must join the pension plan modified as of January 1, 1966, which will be compulsory for all employees;
- c) The Company agrees to hear union officials and to discuss with them employee's suggestions concerning the pension plan. These discussions and union recommenda-

tions on the pension plan must be made before January 1, 1967. However, the Company maintains the right to take any unilateral decision concerning the pension plan.

Hours of work and overtime - The hours of work will largely be governed by the same rules as before, except for changes brought by the parties following an agreement between them; however, the Board recommends that overtime be governed by the following provisions:

#### Distribution of overtime

The Company shall endeavour to keep overtime at the minimum required by production requirements. Overtime shall be divided among the regular employees of each department usually assigned to the work concerned according to the following rules:

Overtime in each department shall be offered to the employee of the classification concerned who ranks highest in departmental seniority and who is able to carry out the work to be done and usually does it.

However, the Company maintains the right to share overtime in conformity with:

- (i) the laws and regulations concerning hours of work;
- (ii) the necessity of keeping at work experienced personnel for the good operation of the department.

By applying these various rules, the Company will, first, offer overtime to the employees, leaving them free to accept; and if the number of employees is insufficient or if the employees agreeing to work are not capable of carrying out the work to be done, the Company will then choose the number of experienced employees and/or the number of less experienced employees required to do the work in order to assure the good operation of the Company plant and of its various departments.

Exceptionally, the Board recommends that both parties sign a letter, which will constitute an agreement on their part, in which they shall agree that a certain number of employees designated in the letter be entitled to work overtime in different classifications

of the warehouse department. The purpose of this letter is to permit the employees who, up till now, worked overtime in the said department and in various classifications, to keep on following the established practice.

Holidays - The Board recommends that the employees be entitled to nine (9) paid holidays each year.

Vacations - The Board recommends that the employees be entitled to the following vacations after the years of service mentioned:

After one (1) year	2 weeks
After ten (10) years	3 weeks
After twenty (20) years	4 weeks

Salary adjustment - The Board recommends that all employees receiving at the present time hourly wages of \$2.30 and more receive an adjustment of \$0.07 added to their present wages, retroactive to February 1, 1966.

Duration of the agreement - The Board recommends that the agreement be of two years' duration, effective from February 1, 1966 to January 31, 1968.

General Wage increases - The Board recommends that the employees receive, retroactive to February 1, 1966, a \$0.15 hourly wage increase.

In addition, the Board suggests that another \$0.15 hourly increase be given to the employees on February 1, 1967.

Unanimous report submitted to the Minister of Labour by:

Harold Lande, Q.C., Chairman  
Mr. W.M. Baker, Company representative  
Solicitor Jean-Denis Gagnon, Union representative

Made and signed at Montreal, this 20th day of June, 1966.

(Sgd.) Harold Lande,  
Chairman.

(Sgd.) W.M. Baker,  
Member.

(Sgd.) Jean-Denis Gagnon  
Member.

### Report of Board of Conciliation and Investigation established to deal with dispute between

#### Polymer Corporation Limited and Oil, Chemical and Atomic Workers' International Union

The Board of Conciliation and Investigation established to deal with a dispute between Polymer Corporation Limited, Samia, Ont., and Oil, Chemical & Atomic Workers' International Union, Local 9-14, was under the chairmanship of Thomas C. O'Connor of Toronto, Ont. He was appointed by the Minister on the joint recommendation of the other two members of the Board, Michael O'Brien and Harry Waisglass, both of Toronto, who were previously appointed on the nomination of the company and union, respectively.

The Board was able to bring the parties to an agreement and a Memorandum of Settlement, which has been ratified, forms part of the Board report. The Minister of Labour received the report in June.

The Board of Conciliation appointed in the above matter, consisting of M. O'Brien, Member of the Board, Harry Waisglass, Member of the Board, and Thomas C. O'Connor, Member and Chairman of the Board, met the parties on May 21, May 22, May 23, May 24, May

25, May 26, May 27, May 28, May 29, May 30, May 31 and June 1, 1966.

The following is the memorandum agreement signed by the parties on June 1, 1966, and subsequently ratified by the employees on June 5, 1966.



MEMORANDUM OF AGREEMENT  
BETWEEN

POLYMER CORPORATION LIMITED  
AND  
OIL, CHEMICAL AND ATOMIC WORKERS,  
INTERNATIONAL UNION LOCAL 9-14  
POLYMER UNIT

The undersigned representatives of the parties hereto hereby agree to the following in full settlement of all matters in issue between them and undertake to recommend these terms of settlement to their respective principles.

1. Collective Agreement: to be from June 1, 1966 until May 31, 1968.

2. Wages: Effective February 27, 1966 retroactive payment of 25¢ an hour for all regular straight time hours worked, including janitress.

Effective June 1, 1966 a further 3¢ an hour general increase.

Effective February 27, 1967 a further 12¢ an hour general increase.

Janitress rate - effective June 1, 1966 - \$2.03 an hour.

Effective February 27, 1967, janitress rate to be \$2.15.

3. Shift Differentials: increased to 10¢ for 'B' Shift and 18¢ for 'C' Shift.

4. Weekly Indemnity Plan: Effective as soon as practicable the maximum level to be increased from \$75.00 to \$80.00 a week; term to be extended from 26 to 39 weeks.

5. Major Medical: Effective as soon as practicable the present Major Medical Plan to be converted to P.S.I. Extended Health Plan, \$50.00 deductible single \$150.00 deductible family, maximum \$10,000.00, no co-insurance feature.

6. Vacations: Plan to be as follows: Two weeks vacation after one year, three weeks vacation after five years, four weeks vacation after fifteen years, five weeks vacation after twenty-five years. The maximum number of employees to be scheduled under the new plan in 1966 and those who cannot be scheduled in 1966 to be scheduled in 1967. The question of employees electing to take payment in lieu of improved vacations to be worked out between the parties.

7. Reclassification of Tradesmen: On the new trades and services progression, progression to Class 1 Tradesmen at Rate Code 30 to be changed automatic progression to Rate Code 30 after four years of training, one year to be spent at Rate Code 60, one year to be spent at Rate Code 50, and two years to be spent at Rate Code 40. Present incumbents not qualified for promotion will become Red Circle Rates at Rate Code 40 will remain at that Rate Code.

8. Job Progression, reclassifications and arrangements as to present incumbents affected, as agreed upon by the parties.

9. The Company agrees to make the following changes in its practices:

(i) Garnishees - Being the debtor named in a writ of garnishee served on the Company will not be reason for the dismissal of an employee. However, repeated offenders will be subject to counselling and possible suspension.

(ii) Compassionate Leave - The present provision regarding leaves with pay for compassionate reasons will be extended.

Payment will now be granted beyond one working day after the funeral where significant travelling for the employee is involved but under no circumstances will the total leave with pay exceed three (3) days.

(iii) Veterans' Make-Up - An employee required to report for medical examination at the request of the Department of Veterans Affairs will be granted make-up payment to a maximum of three (3) working days. Such payment will be that which together with the daily allowance received from said Department equals eight (8) hours at the employee's straight time hourly rate. Payment will only be made for such days as allowance is made by Department of Veterans Affairs.

10. Arbitration - New paragraph 7.03 (b):

7.03 (b) At the request of the Chairman of the Board of Arbitration, the parties will make available witnesses to give oral or written evidence which in the Chairman's opinion is relevant and necessary for the determination of the matters in issue.

11. Benefit and Pension Plans - For the duration of this Agreement the Company will continue in force the benefits as provided in the existing Company Group Insurance Plans and Employees Pension Plan on the same cost-sharing arrangement as is presently in effect. In the event that the Company is obligated by law to contribute toward the cost of benefits similar to one or more of the benefits provided under the Company's Group Insurance Plans and Employee Pension Plan, the Company may terminate or revise such Plans in order to eliminate any duplication of benefits or to ensure that additional costs imposed by law are offset by reductions in the costs of the Company's and employees' contributions to such Plans.

12. Letters of Understanding previously entered into to be renewed where applicable with the necessary revisions.

13. Letter of Intent - The Company to give the Union a letter of intent as follows:

It being understood that seniority is the first consideration, in the determination of ability in the application of Article 14.00, an employee's performance on his previous jobs will be given primary consideration. To the extent that a job selection test is used in assisting in the evaluation of an employee's qualifications under Article 14.01 (a) (ii), it is agreed as follows:

1. Such tests shall be applied equitably to employees being considered for a vacancy.

2. If a senior employee is by-passed, he shall, if he so requests, be given the written reason for his rejection.

3. If the test has affected the decision to reject a senior employee and the employee files a grievance, the details and results of his test shall be made available to the union and the employee.

All other matters as agreed to between the parties.

All of which is respectfully submitted.

Dated this 27th day of June, 1966.

(Sgd.) Thomas C. O'Connor,  
Chairman.

(Sgd.) M. O'Brien,  
Member.

(Sgd.) Harry J. Waisglass,  
Member.

Report of Board of Conciliation and Investigation established to deal with dispute between

Quebecair Inc.  
and  
International Association of Machinists

The Board of Conciliation and Investigation established to deal with a dispute between Quebecair, Inc., Rimouski, Que., and the International Association of Machinists (hostesses, flight agents, and employees in the maintenance, traffic and operations departments) was under the chairmanship of his Honour Judge Jean-Louis Peloquin of Sherbrooke, Que. He was appointed by the Minister on the joint recommendation of the other two members of the Board, André Deom of Boucherville, Que., and Gerald McManus of Sherbrooke, Que., who were previously appointed on the nomination of the company and union, respectively.

The report of the Board and the recommendation of the Chairman were received by the Minister of Labour in June.

The undersigned regret to inform that the parties have not been able to reach an agreement, especially on the question of wage increases for the duration of their collective agreement, which should cover the period March 1, 1966 to March 1, 1968.

We have had two days of conciliation, June 16 and 22, during which we have endeavoured to conciliate the parties and have suggested a great number of solutions, but unfortunately, at the end of the day, yesterday, it was evident that the parties were stuck at two considerably different levels and it was impossible to conciliate them on the question of wages. On all the other matters in dispute, it seems that there was a possibility of reaching an agreement and we are quite sure that we would have been able to reach it, had it not been for the questions of wage increases.

It remains possible, however, that the parties could reconsider their mutual position and accept an intermediate solution.

AND WE HAVE SIGNED in Montreal, this 25th day of June, 1966.

(Sgd.) Jean-Louis Peloquin,  
Chairman.

(Sgd.) André Deom,  
Member.

(Sgd.) Gerald McManus,  
Member.

CHAIRMAN'S RECOMMENDATION

In view of the facts and circumstances very well known by the parties, I recommend a settlement of the wage increases on the following basis:

6% increase for the first year,	from March 1, 1966
	to March 1, 1967;
7% increase for the second year,	from March 1, 1967
	to March 1, 1978.

Even though there was already a considerable difference in wages between Air Canada and Quebecair, difference that is considered acceptable by the parties, the last contract with Air Canada for 26 months providing for an increase of 7 per cent for the first year and 8 per cent for the second has a great influence on the union stand in this dispute.

AND I HAVE SIGNED

(Sgd.) Jean-Louis Peloquin,  
Chairman.

Montreal, June 25, 1966.

Report of Board of Conciliation and Investigation established to deal with dispute between

Dominion Auto Transit Company Limited – Dominion Auto Carriers Limited  
and  
International Brotherhood of Teamsters

The Board of Conciliation and Investigation established to deal with a dispute between Dominion Auto Transit Company Limited (Windsor and Chatham terminals) and Dominion Auto Carriers Limited (Oakville terminal), and Local 880 of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America was under the chairmanship of Thomas C. O'Connor of Toronto, Ont. He was appointed by the Minister on the joint recommendation of the other two members of the Board, F.W. Murray of Toronto and Charles Brooks of Windsor, Ont., who were previously appointed on the nomination of the companies and union, respectively.

The unanimous report of the Board was received by the Minister of Labour in June.

The Board of Conciliation appointed in the above matter, consisting of F.W. Murray, Member of the Board, Charles Brooks, Member of the Board, and Thomas C. O'Connor, Chairman and Member of the Board,

met the parties on June 17, 1966, in the Prince Edward Hotel, Windsor.

The Company was represented by: R.A. Bouffard, Vice-President DAT-DAC; John J. Bruchal, Operation



Manager DAT-DAC; and B. Moore, Manager DAT.

The union was represented by: Robert E. Wilson, Secretary-Treasurer, Local 880; Orlie Read, DAT Employee; and Jack Glassford, DAT Employee.

The Board of Conciliation would recommend the following proposal as a just and equitable settlement of all issues in dispute.

The bargaining committee negotiated these terms with the employer at our meeting on June 17, 1966 and agreed to submit this proposal to the membership for their consideration.

Terms of contract: Effective January 1, 1966 for three years.

Settlement Pay: \$2.50 for each week in which the employee worked twenty hours or more.

Wage Adjustments: General increase applicable to all hourly rates (except maintenance personnel) of 10¢ effective first pay period following date of ratification. 10¢ an hour effective January 1, 1967. 10¢ an hour effective January 1, 1968.

Maintenance Men Wage Adjustments: Semi-skilled welders - 14¢ an hour effective the first pay period following the date of ratification. 10¢ an hour effective January 1, 1967. 10¢ an hour effective January 1, 1968.

Clarity Note: It should be noted that these adjustments will apply to the welders employed at all terminals (including Windsor) and accordingly by the above-noted wage adjustments, their wage rates will be brought to the following levels: effective the first pay period following the date of ratification: \$2.35 per hour; effective January 1, 1967: \$2.45 per hour; effective January 1, 1968: \$2.55 per hour, and this will result in an immediate adjustment effective the first pay period following the date of ratification of 25¢ an hour for the welders employed at the Windsor terminal in addition to the two subsequent wage adjustments.

Mileage Rates: Mileage rates will be increased as follows: effective first pay period following

date of ratification rates will be increased 0.4¢ a mile. Effective January 1, 1967, mileage rates will be increased 0.3¢ a mile. Effective January 1, 1968, mileage rates will be increased 0.3¢ a mile.

Vacations with Pay: 2 Weeks after 1 year. 3 weeks after 13 years.

Ontario Hospital Plan: The Company will pay total cost of Ontario Hospital Plan effective June 1, 1966.

Overtime: Time and one-half after 8 hours a day. Time and one-half after 40 hours a week.

Paid Holidays: 9 days.

Probationary Period: 60 working days for drivers. 30 working days for hourly employees.

Coveralls: The Company will continue present practice re coveralls.

Air Transportation for Western Trips: The Company will supply air tickets for western trips if requested. The return mileage rate of 2.25¢ per mile will not be paid when air transportation is provided.

Short Trips: With respect to highway drivers would be optional.

Transcona Trips: To avoid Sunday layover at destination, the Company will schedule trips on Monday, Tuesday and Friday.

Unloading Rates: Will remain as set out in the agreement. The Company agreed that the drivers would not be required to install or dismantle other parts than those listed unless a rate was negotiated.

Health and Welfare: Weekly indemnity plan will be paid for a period of 26 weeks.

All of which is respectfully submitted.

Dated at Toronto this 27th day of June 1966.

(Sgd.) Thomas C. O'Connor,  
Chairman.

(Sgd.) F.W. Murray,  
Member.

(Sgd.) Charles Brooks,  
Member.

Report of Board of Conciliation and Investigation established to deal with dispute between

The Hamilton Harbour Commissioners  
and  
Canadian Union of Public Employees

The Board of Conciliation and Investigation established to deal with a dispute between The Hamilton Harbour Commissioners and the Canadian Union of Public Employees was under the chairmanship of Louis Fine of Toronto. He was appointed by the Minister on the joint recommendation of the other two members of the Board, W.C. Ives of Toronto and S. Simpson of Hamilton, who were previously appointed on the nomination of the company and union, respectively.

The Conciliation Board was able to bring the parties to an agreement and a Memorandum of Settlement, which has been ratified, forms part of the Board report. The report was received by the Minister of Labour in June.

Honourable John Nicholson,  
Minister of Labour.

Honourable Sir:

This is the report of the Board of Conciliation and Investigation which you appointed on or about the 26th day of January 1966.

The Board met with the parties in Hamilton on March 9, March 10, May 2, May 16 and May 25, 1966.

At this meeting management was represented by: Mr. C. Morgan, Port Director; Mr. E.L. Stringer, Counsel; Mr. J.A. Lanza, Chairman, Hamilton Harbour Commissioners; and Mr. D.E. Hickey, Member, H.H.C. The Union was represented by: Mr. G. Levine, C.U.P.E. Research Director; Mr. A. Risely, C.U.P.E. Representative; Mr. W. Sanek, President Local 958; Mr. R. Dedier, Local 958; and Mr. P. Pearson, Local 958.

Eighteen items were presented to the Board as being in dispute between the parties.

On May 2 the Board of Conciliation spent the entire day in a vain attempt to reach an agreement on a "Strike and Lockout" clause. Since the Commissioners and the Union adamantly refused to proceed until this item was disposed of, this particular clause formed a barrier to negotiations on all other matters before the Board.

The above situation caused grave concern to the Chairman and the members of the Board. Many approaches were made during a long and trying day. At 5.30 p.m. the Chairman suggested to the parties that the clause be left in the hands of the Board and that the Board would constitute itself as arbitrators and submit wording that would be final and binding on both parties. This course was subsequently agreed to by both parties and the Board was then in a position to proceed to the other outstanding items.

#### MEMORANDUM OF SETTLEMENT

Entered into this 25th day of May 1966.

Between the duly constituted collective bargaining representatives of:

Canadian Union of Public Employees

(hereinafter called the "Union")

and

The Hamilton Harbour Commissioners

(hereinafter called the "Commissioners")

The parties hereto have today agreed upon the following and agree to recommend its acceptance to their principals for the final settlement of all issues in dispute in respect of the "maintenance" bargaining unit:

1. That all matters agreed to before this date be affirmed and incorporated into the collective agreement.
2. That the effective date of the agreement be January 25, 1966 and the expiry date be January 25, 1968.
3. That effective January 25, 1966 the following wages be paid to employees while employed in such classifications under the collective agreement:

- fill inspector	\$1.35 an hour
- cleaning woman	1.48 " "
- watchman	1.86 " "
- labourer, janitor, sweeper	2.05 " "
- deckhand	2.25 " "
- assistant superintendent buildings	2.55 " "
- mechanical repairman, boat repairman, radio operator, pilot boat operator	2.63 " "
- pilot (during shipping season as declared by St. Lawrence Seaway Authority)	\$8,800 per year.
4. Effective January 25, 1967 the above rates be increased by 6%.

Dated at Hamilton this 25 day of May 1966.

For the Commissioners

Jos. Lanza

For the Union

G. Levine

R. Dedier

A. Risely

W. Sanek

For the Board

Louis Fine

S. Simpson

W.C. Ives

#### ATTACHMENT

The parties having agreed to submit the "NO STRIKE NO LOCK-OUT CLAUSE" to the Conciliation Board and having made their decision the following is unanimous decision of the Board:

The Union undertakes and agrees that during the life of this Agreement and thereafter during the period of negotiations for the renewal thereof there will be NO STRIKE SIT-DOWN SLOWDOWN OR ANY SUSPENSION OF, STOPPAGE OF, OR INTERFERENCE WITH WORK OR PRODUCTION AGAINST THE COMMISSION AND ANY EMPLOYEE OR EMPLOYEES PARTICIPATING IN ANY SUCH ACTION MAY BE SUMMARILY DISCHARGED OR OTHERWISE DISCIPLINED.

The Commission agrees that during the life of this Agreement and thereafter during the period of negotiations for the renewal thereof it will not engage in any lockout.

FOR THE BOARD

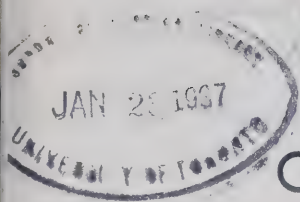
(Sgd.) Louis Fine,  
Chairman.

(Sgd.) W.C. Ives,  
Member.

(Sgd.) S. Simpson,  
Member.



No. 7, 1966



# CONCILIATION BOARD REPORTS

## Conciliation Board Reports in disputes between

7 Major Canadian Railways  
and  
7 Unions of Non-Operating Railway Employees

8 Major Canadian Railways  
and  
10 Railway Shop Craft Unions

4 Canadian Railway Companies  
and  
Canadian Brotherhood of Railway, Transport and General Workers

Canadian Pacific Railway Company  
and  
Brotherhood of Railroad Trainmen

Canadian National Railways  
and  
Brotherhood of Railroad Trainmen

A LABOUR GAZETTE SUPPLEMENT

CANADA DEPARTMENT OF LABOUR

Hon. John R. Nicholson, Minister

George V. Haythorne, Deputy Minister





## CONCILIATION BOARD REPORTS

Report of Board of Conciliation and Investigation established to deal with dispute between

7 Major Canadian Railways  
and  
7 Unions of Non-Operating Railway Employees

The Board of Conciliation and Investigation appointed under the Industrial Relations and Disputes Investigation Act to deal with a dispute between seven major Canadian railways and seven unions of non-operating railway employees was under the chairmanship of Hon. Mr. Justice F. Craig Munroe of Vancouver. The other two members of the Board were A. G. Cooper, Q. C., Halifax, N.S., the nominee of the companies, and Harry Sherman Crowe, Ottawa, Ont., the nominee of the unions. The dispute affected 55,000 employees.

The companies concerned are: Canadian National Railways; Canadian Pacific Railway Company; Toronto, Hamilton and Buffalo Railway; Ontario Northland Railway; Algoma Central and Hudson Bay Railway Company; The Midland Railway Company of Manitoba; The Cumberland Railway Company (Sydney and Louisburg Division).

The unions involved are: Brotherhood of Maintenance of Way Employees; Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees; Brotherhood of Railroad Signalmen; Transportation-Communication Employees Union; Commercial Telegraphers' Union; International Brotherhood of Firemen and Oilers Helpers, Roudhouse and Railway Shop Employees; Brotherhood of Sleeping Car Porters, Train, Chair Car, Coach Porters and Attendants.

Each of the three members of the Board filed a separate report with the Minister of Labour. The reports were received in July.

Honourable J. R. Nicholson,  
Minister of Labour,  
Ottawa, Ontario.

Dear Sir:

Pursuant to the provisions of Section 28(4) of the [Industrial Relations and Disputes Investigation] Act, you appointed me upon the joint nomination of the other two members as member and Chairman of a conciliation board to endeavour to bring about agreement between the above-named parties respecting the terms to be incorporated into a collective agreement governing conditions of employment on and after January 1, 1966, the former agreement having expired on December 31, 1965.

Mr. A. Gordon Cooper, Q. C., of Halifax was the railway companies' nominee on the Board and Mr. Harry Sherman Crowe of Ottawa was the nominee of the unions.

Sittings of the Board to hear evidence and argument were held in Montreal on May 21, June 1, 2, 3, 6, 7, 8 and 9, 1966. Thereafter the Board members deliberated and met with representatives of the respective parties. Despite the application of intensive conciliation proceedings, the Board was unable to bring about agreement between the parties.

The demands made by the unions were as follows:

#### Section I

Effective January 1, 1966, rates of pay for all employees covered by this notice shall be increased by twelve and one-half per cent ( $12\frac{1}{2}\%$ ) plus twenty-seven cents (27 cents) per hour.

In addition to this basic increase in wages there shall be (a) an increase of twenty per cent (20%) for skilled classes and to adjust existing wage inequities, (b) an increase of ten per cent (10%) for employees engaged in regularly scheduled night work, calculated on rates of pay in effect December 31, 1965.

Effective January 1, 1966, all employees covered by this notice shall be paid on a weekly basis.

Effective with calendar year 1966 annual vacations with pay shall be granted to all employees covered by this notice on the following basis:

Two weeks' vacation with pay after one year of service  
three weeks' vacation with pay after five years of service  
four weeks' vacation with pay after ten years of service

five weeks' vacation with pay after fifteen years of service  
six weeks' vacation with pay after twenty years of service.

Effective with calendar year 1966 collective agreements shall be amended to provide nine paid statutory holidays.

In Quebec, the ninth day shall be St. Jean Baptiste Day; in other provinces the ninth day shall be Civic Holiday where applicable and a generally recognized holiday in any other province.

## Section II

Effective January 1, 1966, the railways shall bear the full cost of the Employee Benefit Plan, which shall be improved to provide:

- (a) basic weekly indemnity of fifty dollars (\$50) or 75% of weekly earnings, whichever is greater;
- (b) a prescription drug plan;
- (c) a dental care plan; and
- (d) basic life insurance of \$2,500 for each employee during his working life and life insurance of \$1,500 to be continued after retirement at no additional cost.

Effective January 1, 1966, all employees covered by this notice shall begin to accumulate sick leave with pay at the rate of one and one-half days per month.

## Section III

Effective January 1, 1966, a Work Stabilization Agreement encompassing the following provisions shall be established:

- (a) Beginning with calendar year 1966 and in each calendar year thereafter, employment in each craft or class on each railway to be not lower than Basic Employment as defined in Item (b) hereof, unless and until any such reductions in employment have been negotiated in accordance with the Industrial Relations and Disputes Investigation Act and subject to conditions hereinafter described.
- (b) In 1966, Basic Employment for each class of employees will equal the total number of straight-time hours of employment averaged annually during the three years 1963, 1964 and 1965. In 1967 and thereafter Basic Employment for each class will equal the total number of straight-time hours provided in the immediately preceding calendar year. Prior to April 1, each year, each railway shall provide its General Chairmen with a statement showing Basic Employment for each class of employees for that year.
- (c) Bulletin notice of any proposed force reduction shall be given to the employees and General Chairmen concerned at least 120 days prior to the proposed reduction date and notification of intent to negotiate shall be returned within thirty (30) days of receiving such notice.
- (d) Force reductions below Basic Employment shall normally be by established seniority districts for each Organization on each Railway and shall normally be confined to withdrawal from service through death and normal retirement.
- (e) When, and if, force reductions take place other than as defined in Item (d), then employees unable to hold a position shall be given first consideration for alternative employment with the Railway, including retraining without loss of pay, moving costs, and full compensation for financial loss attached to leaseholds or sale of homes, plus maintenance of income at least at the level of earnings in the last held position, adjusted to include subsequent general wage increases. Failing re-employment, employees so affected shall, for a period of five years, have their income from all other sources supplemented by the Railway to maintain it at the level existing at the time of the original displacements from the Railway.
- (f) When, and if, employees are required to move or transfer in order to hold work in the normal exercise of seniority or for any other reason, they shall be eligible for travel time with no loss of pay, moving costs, full compensation for financial loss attached to leaseholds or sale of homes, and retraining without loss of pay, plus maintenance of income at least at the level earned in the last held position adjusted to include subsequent general wage increases.
- (g) A special sub-committee of the parties signatory to the Work Stabilization Agreement shall be established to act upon any dispute arising from the application of the Agreement.

## Section IV

The Master Agreement to be signed following these negotiations shall contain a clause providing that,

"within fifteen (15) days from the date of signing of this Master Agreement items addended to the national notice preceding this Agreement shall be open to negotiation between the Organizations and Railway concerned in accordance with the provisions of the Industrial Relations and Disputes Investigation Act."

Effective January 1, 1966, existing collective agreements shall be amended to provide that when employees are required to work away from home and/or who move in the voluntary exercise of seniority shall suffer no loss of



wages for travel time and shall be reimbursed for associated expenses (rooms, meals, automobile allowance, etc.).

Effective January 1, 1966, existing collective agreements shall be amended to provide for three days' bereavement leave without loss of wages when there is a death in the employee's immediate family (husband, wife, son, daughter, brother, sister, mother, father, mother-in-law, or father-in-law).

Effective January 1, 1966, deductions of union dues shall commence on the payroll for the last pay period of the calendar month in which the employee commences service in a position subject to a collective agreement between the Railways and the organizations covered by this notice.

#### Section V

Collective agreements between the Railways and the organizations signatory thereto affected by this notice shall be amended to conform with these proposals effective January 1, 1966, and shall continue in effect until December 31, 1967, subject to sixty days' notice by either party, which may be given at any time subsequent to October 31, 1967. Nothing in this notice shall be construed to diminish in any way any existing rules or practices pertaining to any of the various organizations listed hereunder on a national basis.

Before entering upon a consideration of these several demands, I should say that, while it has been the custom in recent years for the organized Non-Operating Railway Employees to negotiate as a unit, this year they have divided for bargaining purposes into three separate groups, namely, the Brotherhoods representing the 22,200 Shop Craft Employees, the Canadian Brotherhood of Railway, Transport and General Workers representing 20,300 employees, and a third group which may be termed the Residual Non-Operating Employees, numbering 49,000. It is this latter group of employees who were represented by the above-named unions and to whom this report relates.

My comments and recommendations are as follows:

#### Wage Increases

I have taken into consideration the 12 factors referred to in my 1964 report, the first of which was a comparison of the average hourly earnings of the organized Non-Operating Railway Employees with the average hourly earnings of the Durable Goods Manufacturing Industries Employees. Those factors appear to me to remain as valid considerations in determining what is fair, just and equitable remuneration to be paid to Non-Operating Employees of the Railways in 1966 and 1967. None of the parties to these proceedings contended otherwise.

As at December 31, 1965, the average hourly earnings of all Non-Operating Railway Employees (excluding Maintenance of Way Extra Gang Employees, whose earnings have traditionally been excluded from the comparison with Durable Goods Employees) was \$2.23. The 49,000 employees presented before this Board average \$2.19 per hour. The average hourly earnings of the employees in Durable Goods Manufacturing Industries in Canada at the end of 1965 was \$2.33.

The average hourly earnings of Non-Operating Railway Employees increased by 21 cents an hour over the two-year period ended December 31, 1965 as compared to an increase of 17.3 cents an hour for Durable Goods Employees. According to the evidence presented to the Board, employees in Durable Goods Industries are likely to gain an average increase in earnings of about 10 cents an hour in each of the years 1966 and 1967.

The present occupational wage rates for Non-Operating Railway Employees (excluding Maintenance of Way Extra Gangs) range from a low of \$1.60 to a high of \$2.51 for hourly rated employees and from \$228.08 to \$619.24 for monthly paid employees.

During the two-year period ended December 31, 1965, the Consumer Price Index rose by 4.9 per cent. Indications are that it will rise a further 3 per cent in each of the years 1966 and 1967. A majority of the Non-Operating Railway Employees live and work in cities where living costs are high and rising constantly.

Canada has experienced five years of expansion since the end of the last cyclical recession in the first quarter of 1961. This ranks as the longest peacetime cyclical expansion in Canadian history. The Canadian Gross National Product in 1965 rose by rather more than 9 per cent. The majority of the authorities quoted to us have been optimistic about the prospects for further growth of about the same order in 1966. "The outlook for 1966," according to Mr. N.R. Crump, President and Chief Executive Officer of Canadian Pacific Railway Company, "is for continued growth, though perhaps not quite on the scale of 1964 and 1965".

The economic position of the railways has improved over the past two years. Corporate net income (before taxes) of the Canadian Pacific Railway Company has increased substantially. In 1963, this figure was \$63,000,000; it rose to \$102,000,000 in 1964 and to \$101,000,000 in 1965. The rate of return on corporate net investment of Canadian Pacific for 1964 and 1965 was also substantially higher than that of 1963. The financial operating statistics of Canadian National Railways, while less spectacular, also showed gains in 1964 and 1965 compared with 1963.

In competition with other forms of transportation, the railways have also shown improvement, at least to the point of holding their own. In 1963, the railways performed 75,796 millions of intercity ton-miles in Canada, for a 42.4-per-cent share of all intercity ton-miles performed by all types of carrier in Canada; in 1964, the railways performed 85,033 millions of intercity ton-miles, again for a 42.4-per-cent share. In 1963, the railways performed 2,070 millions of intercity passenger miles in Canada, for a 3.8-per-cent share of all intercity passenger miles performed by all types of carrier in Canada; in 1964, the railways performed 2,681 millions of intercity passenger miles,

for a 4.6-per-cent share. Comparable figures for intercity ton-miles and passenger miles for 1965 were not presented before the Board.

For the immediate future, it seems reasonable to assume that, given continued aggressiveness in the transportation market and in the search for technological advances and service developments, the railways should at least be able to consolidate their economic and competitive achievements of the past two years.

It may be said that the recent wage settlements in the Quebec longshoring and St. Lawrence Seaway disputes should govern my recommendations as to wage increases. I think not. It should be noted that the employees affected by such settlements are not working in Durable Goods Manufacturing Industries; such settlements are not typical or representative of negotiated wage settlements for 1966 and 1967 in such industries or in industry in general; such settlements involved a relatively small number of employees and arose out of special circumstances and facts which are clearly distinguishable. It would, I think, be no more justifiable to consider such settlements as governing factors in my determination than it would be to say that other wage settlements of amounts less than my recommendation which involve larger numbers of employees, of which many examples could be cited, should govern. In my view, a national standard--not individual settlements or regional standards--is the proper standard to apply to the national railway industry, whose employees live in remote hamlets and in metropolitan areas across Canada. The national standard of the earnings of Durable Goods Employees, adjusted for the factors referred to in my 1964 report, remains, I think, as the sensible standard, because those two groups of employees are the most nearly comparable. Such standard has the support of many years of jurisprudence. It would, I think, be unwise to abandon it at this time in the interests of expediency.

My recommendation as to wage increases is the equivalent of an average increase in rates of 40 cents an hour during the latter half of 1967. Such increase in rates will produce earnings in excess of that amount. For instance, an increase in rate of 19.1 cents an hour agreed upon for the years 1964 and 1965 produced average earnings of 21 cents an hour by reason of changes in skill mix and payment of premium rates. Accordingly I would expect that the recommended increase in average rates of 40 cents an hour will produce an average increase in earnings by the end of 1967 in excess of 44 cents an hour.

In the collective agreements between the railway companies and their non-operating employees, the practice in recent years has been to divide the total cents-per-hour increase agreed upon into two parts, one part being expressed in cents per hour and the other part in percentage terms. This practice has worked to the relative disadvantage of skilled and semi-skilled employees. Accordingly, I am of the opinion that the general wage increases to be incorporated in the new collective agreements should be expressed solely in percentage terms.

My Recommendation is as follows: To the hourly basic rates of pay in force at December 31, 1965, there shall be added:

- (a) effective January 1, 1966 add 4%;
- (b) effective July 1, 1966 add a further 4%;
- (c) effective January 1, 1967 add a further 4%;
- (d) effective July 1, 1967, add a further 6%.

Daily, weekly and monthly rates shall be increased in an equivalent manner.

#### Shift Differential

No change is recommended in the present practice.

#### Employee Benefit Plan

Effective January 1, 1967, the plan shall be revised to provide Two Thousand (\$2,000) Dollars of life insurance for each participating employee instead of Fifteen Hundred (\$1,500) Dollars as heretofore and to provide Weekly Indemnity payments of \$50 as heretofore, the cost thereof to be shared equally by the railways and the employees, provided that the present arrangement whereby the cost of \$1,000 of life insurance and \$10 of the weekly indemnity shall continue to be borne by the Special Fund under the plan, until exhausted.

The request of the unions for the institution of a prescription drug plan and a dental care plan shall be deferred for further consideration after the institution of the Federal Government Medical Care Plan scheduled to become effective on July 1, 1967.

The request of the unions for cumulative paid sick leave to take effect from the employee's first day of absence from work due to illness is NOT recommended.

#### Bereavement Leave

Employees having one year or more of service shall be entitled once in each calendar year to three days bereavement leave without loss of pay when the employee's spouse, child or parent dies.

#### Annual Vacations

Effective on January 1, 1967, annual vacations with pay shall be granted as follows:

Two weeks after one year of service as heretofore.

Three weeks after twelve years of service instead of after fifteen years as heretofore.



## Statutory Holidays With Pay

No change is recommended in the present provision for eight paid statutory holidays a year.

## Pay Period

Discussions between the parties shall be commenced at once with a view to finding a solution to administrative and practical difficulties to the end that employees may be paid every second week instead of semi-monthly as at present.

## Travel Time Allowance

No change is recommended in the present practice.

## Work Stabilization

The proposal of the unions for stabilization of the work force at an arbitrary level is similar to a demand made before the Conciliation Board in 1962. Arising out of such demand, the Board recommended the institution of a Job Security Program to mitigate hardships suffered by long-service employees when their jobs are eliminated and to provide a means of support for employees being retrained for new jobs. For that purpose, the 1962 Board of Conciliation recommended the establishment of a fund by each railway company in an amount equal to 1 cent per hour worked (or paid for) by all its employees covered by the collective agreements on and after January 1, 1963. Consequent upon such recommendation, Job Security Funds were established by an agreement dated November 16, 1964, and the plan became effective on January 16, 1966. It provides that any employee with seven or more years of cumulative service, if laid off and unable to hold a job in his basic seniority territory, is entitled either to severance pay (maximum \$1,200) or to weekly payments of \$12 (maximum of 52 weeks) to supplement the unemployment insurance benefits for one continuous layoff period to which he is entitled by law. The railway companies' payments to the Funds began as of January 1, 1963. Withdrawals from the Funds to date have amounted to less than the accumulated interest. There is over \$6½ million presently in the Funds. The means to protect long-service employees, therefore, exists within the context of the existing Job Security Agreement. In addition, the Government of Canada, in recognition of its responsibilities in this area, has recently enacted legislation which supplements Unemployment Insurance Benefits and makes available Federal Government funds to assist in retraining of displaced workers, and movement of workers from one place in Canada to another where employment is available. I am of the opinion that the long-term interests of the railway companies and of their employees will not be served by anything which impedes efficiency and modernization of operations. To require the railway companies to employ people for whom no work is available could only lead to disaster for employer and employee alike. Indeed, the ever-increasing costs of operations (including increased wage costs) require increased efficiency and productivity if the railways are to compete successfully in the transportation market. It follows that the railway companies must remain free to discontinue jobs the need for which has disappeared.

I am of the further opinion that, as stated before the Board by the unions, "the railway companies must continue to accept a responsibility for minimizing the adverse effects of changed working conditions upon their employees. In turn, the unions must not try to imprison the railways within a system of obsolete or uneconomic methods and procedures." Accordingly, I recommend that the joint committee established to administer the Job Security Funds shall immediately undertake a study of the existing government programs referred to above. In the light of such review, the parties shall examine the need for expansion of the purposes for which payments may be made out of the Job Security Funds and the need for any necessary increase in the scale of payments.

The request of the unions that the recommendations contained in the report of the Industrial Inquiry Commission presided over by the Honourable Mr. Justice Samuel Freedman should be included in the new collective agreements has been considered by me. That report is now under study by the Government of Canada. There is nothing in the evidence before the Board to indicate that the railway companies are contemplating major changes that will materially affect the job security of the employees represented before this Board. In those circumstances and pending completion of such study, it would, I think, be premature to accede at this time to the request of the unions. However, I would expect that good sense will prompt the railway companies not to introduce such changes without first engaging in meaningful discussions with the unions and employees concerned.

## Relocation Expenses

No change is recommended in the present practice.

## Addenda Demands

The request of the unions that, following settlement of the major issues in dispute between the parties before this Board, the demands of individual unions should be open to negotiation and conciliation proceedings during the life of the Master Agreement represents a departure from long-established practice. To accede to such request would be to create the possibility of strikes or lockouts during the two-year closed period of the collective agreement. It has been the practice of the parties for several years to limit the issues to be heard by Boards of Conciliation to issue of general

concern to all employees represented before the Board. The railway companies concede that there is a continuing need to revise collective agreements entered into with individual unions and are prepared to discuss such revisions with each of the unions affected (as they have been doing in the past) provided there are no mandatory cost implications involved. Many mutually satisfactory changes have resulted by past discussions of that nature, and some of them have involved additional cost to the railways. I am of the opinion that this practice ought to be continued on the understanding, however, that hereafter any union or railway company that may fail to attain results deemed satisfactory by it during such negotiations shall be at liberty to present unresolved disputes to future Boards of Conciliation sitting to hear representations concerning general revisions of collective agreements between the railway companies and their non-operating employees, and I so recommend.

#### Term of Agreement

The new agreements shall be for a two-year period ending on December 31, 1967.

Save as aforesaid, the terms and conditions contained in the former collective agreements shall be renewed.

Dated at the City of Vancouver in the Province of British Columbia this 29th day of June, 1966.

Respectfully submitted,

(Sgd.) F. Craig Munroe,  
Chairman.

#### REPORT OF A. G. COOPER

##### The Issues

The issues between the parties to these proceedings fall into two categories, (1) wage increases and (2) other demands not directly involving increases in the wages of the employees represented before this Board.

I agree with the recommendations of the Chairman, the Honourable Mr. Justice F. Craig Munroe, on all the matters included in the second category and dealt with by him in his Report under the following headings, namely, Employee Benefit Plan, Bereavement Leave, Annual Vacations, Statutory Holidays with Pay, Pay Period, Travel Time Allowance, Work Stabilization, Relocation Expenses, Addenda Demands and Term of Agreement.

##### Request for Wage Increases

The request of the unions for wage increases is as follows:

Effective January 1, 1966, rates of pay for all employees covered by this notice shall be increased by twelve and one-half per cent ( $12\frac{1}{2}\%$ ) plus twenty-seven cents (27 cents) per hour.

In addition to this basic increase in wages there shall be,

- (a) an increase of twenty per cent (20%) for skilled classes and to adjust existing wage inequities,
  - (b) an increase of ten per cent (10%) for employees engaged in regularly scheduled night work,
- calculated on rates of pay in effect December 31, 1965.

The Chairman has rejected the request for shift differentials by stating "No change is recommended in the present practice" and I agree. However, I respectfully do not agree with the recommendation of the Chairman as to increases of hourly rates of pay in force at December 31, 1965 and to daily, weekly and monthly rates, for the reasons which I now set forth.

##### Durable Goods Standard

In past years both unions and railways have sought a standard with which the earnings of all non-operating railway employees, of whom the employees represented before this Board form a part, could be compared to ensure that such employees were being fairly paid for their work. The comparison or measure that has best stood the test of time is that afforded by the average earnings of employees in the durable goods sector of the manufacturing industry in Canada.

This standard emerged from a study and decision of the National War Labour Board in 1944. Successive Boards of Conciliation and Arbitrators, in dealing with wage disputes between unions representing non-operating railway employees and railway companies, have given it careful consideration since 1950. It has never been approved or adopted as an absolute or mechanical standard of comparison but has been regarded as an important guide in determining wage rates of the non-operating railway employees. It was so regarded by the 1964 Board of which Mr. Justice Munroe was Chairman. The Report of that Board, made by the Chairman and concurred in by the nominee of the unions, reviews comprehensively the emergence and development of the durable goods standard and continues:

From the above extracts from reports of boards of conciliation and arbitration dating from 1950, three



conclusions emerge:

1. That all boards accepted the concept and value of some appropriate standard for comparing the earnings of non-operating railway employees with a comparable, or most-nearly comparable, group of employees in outside industry.

2. That they all accepted the group of employees in the durable-goods industries as the most-nearly comparable.

3. That they all rejected the idea of a mechanical or automatic application of the durable-goods standard but insisted, certainly since 1956, that other relevant factors must also be taken into consideration.

With these conclusions, I am in respectful agreement.

My conclusion that the reasoning of the boards of conciliation at least since 1956 does not establish any principle of a parity of averages is supported by the fact that the wage increases recommended by boards since 1956 did not result in a parity of averages. For the period from 1956 to 1963 inclusive, the average earnings of the non-operating railway employees have not equalled those in the durable-goods industries but have, rather, varied between a low of 91.4 per cent and a high of 95 per cent thereof. (Canada Labour Gazette, July 1964, page 579.)

The report of the 1964 Board then proceeds to set out twelve factors to be considered in determining fair, just and equitable remuneration for the non-operating railway employees during 1964 and 1965. These factors, in my opinion, are equally valid in considering what is fair, just and equitable remuneration to be paid to the non-operating employees represented before this Board in 1966 and 1967, and what follows is written with all of them in mind.

The average hourly earnings of all the non-operating employees of the railways as at December 31, 1965 was \$2.23 and the average hourly earnings of durable goods employees at that date was \$2.33--a difference in favour of durable goods employees of ten cents. Expressed as a percentage relationship, non-operating employees' average hourly earnings were 95.5 per cent of the average hourly earnings of durable goods employees as at December 31, 1965. This is consistent with such relationship in prior years varying from a low of 91.4 in December 1957 to a high of 95.3 in December 1961, with an average from December 1955 to December 1963 of 93.07 per cent.

The comparison, however, is of necessity not of like with like--that is, of straight-time earnings with straight-time earnings--because of certain unknown factors such as overtime premium rates and other wage-related factors. Evidence to adjust for such factors is not available.

Adjustments to durable goods earnings for certain other factors have been attempted by the unions, namely, geographical distribution, the proportions of male and female employees in each group, the skills of non-operating employees as compared with those of durable goods employees and for what is termed "size of establishment". It is known that a greater proportion of the non-operating railway employees' group are employed in non-urban areas than is the case in durable goods, and that there is a somewhat higher proportion of male to female employees in the non-operating railway employees' group than in durable goods.

The evidence as to skills distribution between the two groups is far from conclusive. The Dominion Bureau of Statistics does not collect employment data in a form that enables it to distinguish skilled employees in durable goods industries. The unions based their skills comparisons not on any comparison of job with job (even if that were possible) but, insofar as the durable goods group is concerned, on the application of a Department of Labour survey in May 1963 of organized in-service training programs for skilled tradesmen, technicians and supervisors and, with respect to the non-operating railway employees, on classifications of railway labour involving certain assumptions in some of the classifications. I do not consider that these bases of comparison are proper or adequate support for the conclusion drawn therefrom by the unions. Any adjustment based on skills distribution must, therefore, be rejected. There is not sufficient evidence of probative value to support any such adjustment.

The unions based a sharp upward adjustment in durables earnings on "size of establishment". Their contention was that earnings in large establishments in durable goods are higher than in small, that each of the railway companies should be considered for this purpose as one large establishment and that, therefore, earnings of employees in durable goods establishments of less than 500 employees should be taken out of the comparative calculations. The railways, on the other hand, maintained that their enterprises consisted of a large number of both small and large establishments, and that any such adjustment was invalid. It is my opinion that no adjustment can be made on the size of establishment basis. I consider that average earnings in the whole of the durable goods sector of the manufacturing industry in Canada must be compared with average earnings of all the non-operating railway employees, and that the exclusion of a large number of durable goods employees because they work in establishments having less than 500 employees introduces an artificial concept which obscures and conceals the true relationship.

#### Movement in Earnings in Durable Goods

The next point to which I direct my attention is the movement expected to take place in the average hourly earnings of durable goods employees in 1966 and 1967. This is, of course, an important factor to ensure that, insofar as it is possible to do so, the accepted relationship between average hourly earnings of non-operating railway employees to durable goods employees will, in December 1967, be maintained. Both the unions and the railways estimate that the upward movement in average hourly earnings in durables will be 10 cents an hour in each of the years 1966 and 1967, making a total increase of 20 cents in the two years. Parenthetically, it must be remembered, in this connection, that an increase in hourly wage rates will produce an increase in earnings greater than the amount of such increase in rates. For example, an increase in wage rates of 19.1 cents an hour, as a result of the 1964 Munroe Board's recommendation, resulted in an increase of 21 cents an hour in average hourly earnings in December 1965.

## Consumer Price Index

Another factor for consideration is the Consumer Price Index. The Index rose 4.9 per cent during the two-year period ended December 31, 1965. It is expected that it may rise a further 3 per cent in each of the years 1966 and 1967, although, as mentioned in the evidence of Dr. E. P. Neufeld, Professor of Economics at the University of Toronto, 0.3 per cent of such rise may be attributed to quality control. In considering the weight to be given this factor, however, it must be kept in mind that it has already been taken into account in the anticipated rise in earnings of durable goods employees of 10 cents an hour in each of the years 1966 and 1967, at least insofar as the anticipated rise in the Index was known at the time when collective agreements in durable goods, extending over 1966 and 1967, were negotiated.

## Economic and Competitive Position of the Railways

I now turn to the economic and competitive position of the railways. The most significant fact in considering this question is that in the postwar years the railways have been faced with intense competition from the rapid growth of road transport, intercity travel by bus and private car, and the movement of liquids and gases through pipe lines. The proportion of traffic moving by road since the end of World War II has increased by 50 per cent, while the proportion moving by rail has dropped from 67.5 per cent in 1948 to 42.4 per cent in 1964. The position of the railways has been further adversely affected by the fact that, as a result of the Freight Rates Reduction Act, enacted by Parliament in 1959, increases in normal class and commodity rates were rolled back and the rates frozen at the reduced levels. Whilst it is true that this freight rate freeze has been accompanied by payments in partial compensation for the enforced reduction, nevertheless the railways, at a time when they required freedom to increase revenues to the fullest possible extent, have been prevented from doing so.

The Report of the Royal Commission on Transportation (the MacPherson Commission) recognized the necessity for the railways to have greater freedom from rate control, in the abandonment of branch lines, and in the discontinuance of unremunerative services, and to have relief from burdens placed upon them for reasons of public policy. The recommendations of the Commission have not yet been enacted into legislation. In the meantime, the ability of the railways to compete effectively with other modes of transport is seriously affected. The utmost effort is, therefore, required on the part of the railways to keep and maintain costs at as low a level as possible consistent with their obligations to their employees and to provide the services which are required of them under the Railway Act.

## The Canadian Economy

Canada has experienced, since the first quarter of 1961, a sustained expansion of the economy. Gross National Product increased in 1965 over 1964 by 8.9 per cent or, excluding price increases, somewhat better than 6 per cent. It is expected that growth will continue throughout 1966 and 1967. It is significant, however, that Dr. Neufeld expressed the opinion that potential weaknesses and distortions have appeared. He stated, as one of his conclusions on the economic outlook:

"However, potential weaknesses and distortions have appeared. In 1965 wage increases exceeded productivity increases and in a large number of industries the rate of growth of profits declined. Also the economy moved to the full-capacity level, or close to it. The former development has raised the issue of "cost-push" inflation while the latter, the one of possible "demand inflation." (Transcript of Evidence, page 538)

## Cost of Wage Increases

Regard must also be had in considering wage increases to the cost implications to the employers. The cost of a 1-per-cent increase in wage rates of the employees of Canadian National and Canadian Pacific represented before this Board and the other 1966 Board of which Mr. Justice Munroe was Chairman is \$3,782,000 per annum, and for Canadian Pacific alone \$1,797,000 per annum. The net railway earnings of Canadian Pacific in 1965 were approximately \$40,240,000. The actual rate of return of Canadian Pacific on net investment in rail property has dropped from 3.76 per cent in 1947 to 3.37 per cent in 1965 (Transcript of Evidence, page 792). These figures speak for themselves.

## Recommendation for Wage Increases

I am very strongly of the opinion that, in considering what wage increases should be recommended, it would be most unwise to depart from the precedent established by previous Boards in using the durable goods standard as a guide. If this precedent is not followed, the painstaking and conscientious work of unions, railways, and Board members over the past fifteen or more years will be in a grave danger of being lost in the wilderness of single instances. In my view this would be a lamentable result not only for the railway companies but also for the unions and the public of Canada.

I have endeavoured as best I can to give due weight to the factors to which I have referred, having in mind the reports of previous Boards, and particularly the report of the 1964 Munroe Board, and my recommendation for the wage increases for the employees represented before this Board is as follows:

To the hourly basic rates of pay in force at December 31, 1965 there shall be added:

- (a) Effective January 1, 1966 -- 3.5%
- (b) Effective July 1, 1966 -- 3%
- (c) Effective January 1, 1967 -- 3%



(d) Effective July 1, 1967 -- 3%

Daily, weekly and monthly rates shall be increased in an equivalent manner.

It is my view that a wage increase of 12.5 per cent, which represents an average of 28 cents an hour for all non-operating railway employees, gives appropriate weight to the factors which have received the consistent consideration of previous Boards and will, at December 31, 1967, place the wages of the employees represented before this Board in a just, fair and equitable relationship with the wages of workers in the durable goods sector of the manufacturing industry in Canada.

Dated this 29th day of June 1966.

Respectfully submitted,

(Sgd.) A. Gordon Cooper,  
Member.

#### REPORT OF HARRY S. CROWE

Honourable J. R. Nicholson,  
Minister of Labour,  
Ottawa, Ontario.

Dear Sir:

Pursuant to Section 28(2) of the Industrial Relations and Disputes Investigation Act you appointed me upon the nomination of the unions as a member of a Board of Conciliation and Investigation in the above-mentioned matter. The demands of the unions respecting the terms of collective agreements effective January 1, 1966 are embodied in several documents in the possession of your Department and are reproduced in the Report to you of the Chairman of the Board, the Honourable Mr. Justice F. Craig Munroe.

It is clear from evidence presented to the Board that no prior exchanges had taken place between the parties to the dispute which merit the description "collective bargaining". Despite the fact that the issues involved thousands of workers in the vital railway industry and included many detailed matters more subject to resolution by bargaining of knowledgeable persons than by recommendations of an appointed board, only two meetings were held between the railways and the unions. Responsibility for this must rest with the railways. No offers were made by them; they took a position of defence of the existing working conditions. No wage offer was made by them despite the buoyant state of the economy. This refusal by the railways to engage in collective bargaining was not a new development. Negotiations between the railways and the unions since 1950 have taken place in the unreal and inhibiting atmosphere of impending compulsion. On the basis of evidence before this Board and before previous Boards which I have examined I agree with the statement of Mr. Frank H. Hall, Associate Chairman of the Unions' Negotiating Committee (page 22 of the transcript of the Associated Non-op Unions Board): "There is little doubt in our minds that the reason the railways in recent years have not engaged in meaningful face-to-face negotiations with the unions across the bargaining table finds its roots in the pattern of government interference with collective bargaining."

Given the pattern of compulsion in 1950, 1954 and 1960, and the refusal of the railways to engage in collective bargaining prior to the establishment of a Board of Conciliation, some additional instrument as an aid to collective bargaining but not as a substitute for it is required in the railway industry. The obvious instrument is an outside standard against which the wages and working conditions of non-operating railway employees can be measured.

Such a measure exists in the "durable goods standards" which means the use of the Dominion Bureau of Statistics figures of average hourly earnings in durable goods manufacturing as the determinant of what, on the average, non-operating railway employees should earn. The groups of industries classified as durable goods industries are wood products, iron and steel products, transportation equipment, non-ferrous metal products, electrical apparatus and supplies and non-metallic mineral products. It is a most extensive classification which includes both high-rated and low-rated employees.

The durable goods standard was not advanced in the first instance by the unions but by the railways and by third parties. The first expression of it (although not by name) is to be found in the award of the National War Labour Board of July 31, 1944. The railways supported the concept of this standard before the Board of Conciliation of which Mr. Justice J. O. Wilson was Chairman in 1950. The Report of Mr. Justice Wilson, concurred in by the nominee of the railways, made explicit reference to a comparison with durable goods workers as a means of determining wage levels for non-operating railway workers. The railways again supported the durable goods standard before Mr. Justice R. L. Kellock when the 1950 dispute went to arbitration under the Maintenance of Railway Operation Act. Mr. Justice Kellock decided that durable goods provided a fair comparison "as nearly as may be". Before the 1952 Kellock Conciliation Board the railways again supported a comparison with durable goods as "the most nearly comparable sector of Canadian industry". The Report of the Chairman of the Board, concurred in by the nominee of the railways, accepted their position. The Report of the Kellock Board of Conciliation in 1954 and the Arbitration Report of Mr. Justice Sloan in the same year both took it for granted that the durable goods standard was the appropriate one for purposes of comparison. It is important to emphasize at this point in the history of railway industrial relations that the protracted "fringe benefit case" of 1954 had the effect of extending the wage settlement of 1952, which was originally intended to last for

only 15 months, for an additional period of 25 months. In this event of some dozen years ago is found the origin of the present unsettled relations between the railways and their non-operating employees. Since 1956 the Railways have opposed the durable goods standard and advanced in its place a series of proposed new measurements -- the "paid workers" standard (1956), the "going wages" standard (1958), the "Woods-Gordon" standard (1960), the "railway group" standard (1962), the "partially adjusted durable goods" standard (1964), and the "national productivity" standard (1966). As the unions have contended these standards all had three similar properties: they were lower than durable goods, they could not withstand the scrutiny of neutrals, and they were destined to be disowned by those who advanced them. Since 1956 the unions have accepted the durable goods standard as the test of their demands and neutral Chairmen of Boards of Conciliation in 1956, 1958, 1960, 1962 and 1964 have agreed with the unions that the durable goods standard is the most appropriate measure of comparison.

The acceptance of the durable goods standard in theory as the measure or yardstick is one thing, and the recommendation of awards conforming to the standard and not merely paying lip-service to it, has proved to be something else again. Since 1956, on one ground or another, such as the belief that the gap had become too great to close in one agreement or the belief that awarding the full amount would represent an undesirable "mechanical application" of the standard, non-operating wage rates have been allowed to continue to lag some distance behind the approved standard. The inevitable result is that the confidence of the employees in the ability of an outside standard to provide them with wage levels that are fair, just and reasonable has seriously diminished. They may have appreciated why in a climate of impending compulsion substandard wage settlements have been entered into in the past in their names. But it is not an appreciation which is likely to continue. The pursuit of an alternative to crisis and an alternative to compulsion cannot be a one-way street.

At no time have the unions advocated the durable goods standard as a simple mechanical device to supplant collective bargaining. They have present it as an aid to collective bargaining in a field of industrial relations where there has been a pattern of interference by the Government.

The idea of a standard, simply stated, is that to avoid a crisis and to avoid compulsion, the two sides should be brought sufficiently close together by their mutual acceptance of a standard that negotiations or, failing successful negotiations, conciliation procedures could produce an agreeable settlement. It involves a comparison of "like with like", a comparison of equals "as nearly as may be".

Throughout the history of the durable goods standard it has been recognized by its advocates and by neutrals that there are four characteristics of any group of workers that affect the level of wages, in which no two large groups would be identical. These characteristics are regional distribution (as urban workers in fact are paid at higher levels than workers outside urban areas), sex distribution (as male workers in fact are paid at higher levels than female workers), size of establishment (as workers in large establishments in fact are paid at higher levels than workers in smaller establishments) and skill distribution (as skilled workers in fact are paid at higher levels than unskilled workers). Therefore, attempts have been made, especially since the 1962 Board, to "adjust" the durable goods standard by introducing into the durable goods group of employees the non-ops urban-rural, male-female, establishment size and skill distributions. This is the "adjusted durable goods standard". The methodology for the adjustments was first introduced into these proceedings by the railways and may be found in the transcript and in exhibits of this Board. The information for the adjustments comes from government or railway sources.

The adjusted durable goods standard answers this four-part question:

If durable goods employees were distributed between urban and rural areas in each province in the same way non-operating railway employees are distributed; and  
if durable goods employees had the same male-female distribution as non-operating railway employees; and  
if durable goods employees in small establishments are excluded as the two railways are the largest industrial operations in Canada; and  
if durable goods employees had the same proportion of skilled workers as the non-operating railway group; THEN  
in what direction and how much would the published D. B. S. figure for average hourly earnings of durable goods employees be adjusted?

The answer to the question in the evidence before the Board is that it would be adjusted upwards 6.6 per cent.

It is my belief that the basic test, the fair, just and reasonable test by which the wage rates of non-operating railway employees should be judged, is the adjusted durable goods standard.

The unadjusted average hourly earnings figure for durable goods employees as of December 1965, the terminal point of the last non-op agreement, was 233.3 cents. It is my opinion that the most recent evidence indicates that the probable increase in this over the years 1966 and 1967 will be 15 cents per year (and not 10 cents per year as suggested to the Board). You will observe that my estimate of a total increase in the level of average hourly earnings of the some 500,000 employees of durable goods industries in Canada of 30 cents over the years 1966 and 1967 is substantially less than half the increases secured by longshoremen and St. Lawrence Seaway employees for the same two years as a result of mediation by the present government.

The basic arithmetic of the adjusted durable goods standard is as follows:

233.3 - unadjusted average hourly earnings of durable goods, December 1965  
+ 30.0 - estimate of increase over the two years, 1966 and 1967.

263.3 - unadjusted average hourly earnings of durable goods, December 1967  
x 1.066 - the factor of adjustment referred to in the indented paragraph above.

280.7 cents an hour.



The wage increase justified by the minimum test of the adjusted durable goods standard is:

Calendar Year Basis

280.7  
- 220.0  
60.7 cents an hour

Constructive Year Basis

280.7  
- 222.9  
57.8 cents an hour

The computation in the paragraph above does not take into account the short-fall of the estimate made by the Conciliation Board in 1964 of the increase in the Consumer Price Index, nor does it make allowances for increases in the C.P.I. in 1966 (already substantial) and in 1967. Also, it does not make allowance for the substandard settlements entered into in the climate of compulsion since 1952. Evidence before the Board computed this loss in earnings to non-operating employees from 1953 (when parity with the unadjusted standard was established by the Kellock Board) to 1965, inclusive. It amounted to \$2,646 per employee. That is the extent of the subsidization of Canada's railways by the average non-ops employee, in current dollars, and according to the unadjusted durable goods standard. If the adjusted standard is used, as it should be, (employing the average of the factors of adjustment presented to the 1962, 1964 and 1966 Boards), the total subsidization, in current dollars, for the present level of employment, is \$594,925,500. Such a massive subsidization of Canada's railways by its employees as a result of substandard settlements entered into in a climate of inhibited collective bargaining can no longer be ignored in determining the wage levels of those employees.

Considerable evidence was placed before the Board by the unions on the subject of productivity. The unions contended that "average productivity can be a relevant factor in justifying wage increases but that the wage levels to which productivity increases are related must be established independently". The unions chose 1953 as the appropriate starting point as in 1953 productivity was virtually on trend so there is little likelihood that the trend reflected the influence of special factors. Also 1953 is the most recent year in which earnings of non-operating employees approximated the durable goods level. On this basis, and using the Canadian Pacific Railway as the yardstick, the unions contended that the average wage increase justified in the years 1966 and 1967 by productivity alone is 76.1 cents on a calendar year basis and 73.2 cents on a constructive year basis. This contention was not disputed by the railways, although they did argue in support of short-run global productivity of the whole economy rather than railway productivity. However, before another Conciliation Board established with respect to the dispute between the Canadian National Railways and those non-operating employees who are represented by the Canadian Brotherhood of Railway, Transport and General Workers, the company cited a study undertaken for the Department of Transport which they said concluded that there is an appreciably lower productivity trend. The Department of Transport refuses to release the study. It is available to the companies but not to the unions or to members of Conciliation Boards. I am left, therefore, with no alternative to accepting the unions' computation that the sole factor of increased productivity would justify an average wage increase for the two years 1966 and 1967 of from 73.2 to 76.1 cents an hour.

I recommend that to the hourly basic rates of pay in force at December 31, 1965 there should be added:

(a) Effective January 1, 1966,  $6\frac{1}{2}\%$ , plus 13 cents.

(b) Effective January 1, 1967, a further  $6\%$  of rates of pay in force at December 31, 1965, plus 14 cents. (Daily, weekly and monthly rates shall be increased in an equivalent manner.)

(c) Effective January 1, 1966 wages equal to  $7\frac{1}{2}\%$  of the rates of pay in force at December 31, 1965 for the approximately 32% of the employees designated before the Board as belonging to skilled classes (pages 154 to 171 of the transcript of proceedings) shall be set aside in a fund to be distributed in wage increases expressed as percentage increments and fully retroactive to January 1, 1966 as agreed to by the unions and the railways in direct negotiations for the purpose of granting additional increases to skilled workers and to eliminate wage inequities. If the unions and the railways have not agreed to the distribution of this wage increase within 60 days of the signing of the Master Agreement, it shall be apportioned by an Arbitrator whose decision shall be final. If the unions and the railways do not agree to an arbitrator within 10 days of the expiry of the 60 days, an arbitrator shall be named within a further 10 days by the Minister of Labour and he shall render his report within 20 days.

(d) Effective January 1, 1967, each percentage increment to skilled classes and to eliminate inequities determined in (c) above shall be doubled as a percentage of rates of pay in force at December 31, 1965.

(e) Effective January 1, 1966, an additional 5% for those employees engaged in regularly scheduled night work while so engaged.

(f) Effective January 1, 1967, a further 5% of rates of pay in force at December 31, 1965 for those employees engaged in regularly scheduled night work while so engaged.

I recommend that effective January 1, 1967 all employees be paid every second week.

I recommend that effective with the calendar year 1967 annual vacations with pay be given all employees as follows:

Two weeks' vacation with pay after one year of service (unchanged).

Three weeks' vacation with pay after five years of service.

Four weeks' vacation with pay after ten years of service.

Five weeks' vacation with pay after fifteen years of service.

Six weeks' vacation with pay after twenty years of service.

I recommend that effective with the calendar year 1967 collective agreements shall be amended to provide nine paid statutory holidays. In Quebec the ninth day shall be St. Jean Baptiste Day. In the other provinces it shall be any day agreed to by the unions and the railways, and failing agreement by December 31, 1966, it shall be St. Jean Baptiste Day in all provinces.

I recommend that effective January 1, 1967 the railways shall bear the full cost of the Employee Benefit Plan,

which will be altered effective January 1, 1967 to provide:

- (a) a basic weekly indemnity of \$50 or 60% of weekly earnings, whichever is greater.
- (b) a prescription drug plan.
- (c) a dental care plan.
- (d) a basic life insurance of \$2,500 for each employee during his working years and of \$1,500 after retirement at no additional cost.

I recommend that effective January 1, 1967 all employees shall begin to accumulate sick leave with pay at the rate of one day per month to a maximum unused accumulation of 120 days. In no instance shall the weekly indemnity commence until the accumulated days of sick leave have been used.

I recommend that the joint committee established to administer the Job Security Funds shall undertake a study of existing railway and government programs relating to retraining and subsequent movement of workers and then examine the Job Security Program with a view to expanding its scope and increasing the scale of payments from the Funds.

I recommend that effective January 1, 1967, existing collective agreements shall be amended to provide full compensation to employees who are required to work away from home and are not now compensated for all expenses arising from such work, and to employees who move in the voluntary exercise of seniority for expenses incurred in the move.

I recommend that the collective agreements shall be amended to provide that if a railway company desires to make any technological changes that it inform the unions involved well in advance of the proposed changes and negotiate with the unions representing the employees affected in order to determine whether the proposed changes would involve a material change in the term or conditions of employment of the employees. If the parties should be unable to agree within the time limits prescribed in the Freedman Report then the matter shall be referred to an arbitrator for final adjudication of the single point of whether or not the proposed changes would involve a material change in the terms or conditions of employment of the employees. If the arbitrator should decide that no material changes are involved, then the railway concerned shall be free to implement the proposed change. If he should decide that the changes would involve a material change in the terms or conditions of employment, then the method of their introduction shall be subject to negotiations between the company and the union or unions concerned in accordance with the provisions of Section 22(2) of the Industrial Relations and Disputes Investigation Act. In the event that the railways should refuse to consent to the insertion of such provision in the collective agreement, then I recommend that Parliament should give the most urgent consideration to amending existing legislation so as to make it obligatory for management and bargaining agents to comply with the foregoing procedure.

I recommend that you rescind the instructions given by successive Ministers of Labour that joint conciliation procedures between the railways and non-operating unions must be limited to matters common to all unions and direct that matters involving one or more unions shall also be subject to disposition by future Boards of Conciliation and Investigation along with matters common to all unions.

I recommend that effective January 1, 1967, existing collective agreements shall be amended to provide for bereavement leave of three days without loss of pay when an employee's spouse, child or parent dies.

I recommend that the new agreements shall be for a two-year period ending on December 31, 1967, and that save as aforesaid, the terms and conditions of the former collective agreements shall be continued.

Dated at the City of Ottawa in the Province of Ontario this 29th day of June 1966.

Respectfully submitted,

(Sgd.) Harry S. Crowe,  
Member.

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Report of Board of Conciliation and Investigation established to deal with dispute between

8 Major Canadian Railways  
and  
10 Railway Shop Craft Unions

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The Board of Conciliation and Investigation appointed under the Industrial Relations and Disputes Investigation Act to deal with a dispute between eight major Canadian railways and ten railway shop craft unions was under the chairmanship of Hon. Mr. Justice F. Craig Munroe of Vancouver. The other two members of the Board were A. G. Cooper, Q. C., Halifax, N. S., the nominee of the companies, and Harry Sherman Crowe, Ottawa, Ont., the nominee of the unions. The dispute affected 28,000 non-operating railway employees.

The companies concerned are: Canadian National Railways; Canadian Pacific Railway Company; Dominion Atlantic Railway; Esquimalt and Nanaimo Railway; Northern Alberta Railways; Ontario Northland Railway; Quebec Central Railway; Toronto, Hamilton and Buffalo Railway.

The unions involved are: Division No. 4, Railway Employees' Department (AFL-CIO); Canadian National Railway System Federation No. 11; Canadian National Railway Western Region Federation; International



Association of Machinists; International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers; Brotherhood of Railway Carmen of America; International Brotherhood of Electrical Workers; United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada; International Moulders' and Foundry Workers' Union of North America; Sheet Metal Workers' International Association.

Each of the three members of the Board filed a separate report with the Minister of Labour. The reports were received in July.

Honourable J. R. Nicholson,  
Minister of Labour,  
Ottawa, Ontario.

Dear Sir:

Pursuant to the provisions of Section 28(4) of the [Industrial Relations and Disputes Investigation] Act, you appointed me upon the joint nomination of the other two members as a member and Chairman of a conciliation board to endeavour to bring about agreement between the above-named parties respecting the terms to be incorporated into a collective agreement governing conditions of employment on and after January 1, 1966, the former agreement having expired on December 31, 1965.

Mr. A. Gordon Cooper, Q. C., of Halifax was the railway companies' nominee on the Board and Mr. Harry Sherman Crowe of Ottawa was the nominee of the unions.

Sittings of the Board to hear evidence and argument were held in Montreal on May 21, June 1, 2, 3, 6, 7, 8 and 9, 1966. Thereafter the Board members deliberated and met with representatives of the respective parties. Despite the application of intensive conciliation proceedings, the Board was unable to bring about agreement between the parties.

The demands made by the unions were as follows:

(a) Effective January 1, 1966 rates of pay in effect December 31, 1965 for all employees covered by this notice shall be increased 23%.

(b) A further increase of 30% in rates of pay in effect December 31, 1965 for all employees working as mechanics to compensate for their skills, and to eliminate wage inequities between the various classifications of mechanics, shall be made effective January 1, 1966.

(c) A further increase of seven (7) cents per hour for all employees working afternoon shifts and eleven (11) cents per hour for all employees working night shifts shall be made effective January 1, 1966.

Effective January 1, 1966, all employees covered by this notice shall be paid on a weekly basis.

Effective with the year 1966, annual vacations with pay shall be granted to all employees covered by this notice on the following basis:

- two weeks vacation with pay after one year of service
- three weeks vacation with pay after five years of service
- four weeks vacation with pay after ten years of service
- five weeks vacation with pay after fifteen years of service
- six weeks vacation with pay after twenty years of service

Effective January 1, 1966, Wage Agreement #15 shall be amended to provide nine (9) paid statutory holidays, the eighth to be Remembrance Day, the ninth holiday shall be a general recognized holiday to be agreed upon in each province.

Effective January 1, 1966, the Railways shall bear the full cost of the Employee Benefit Plan which shall be improved to provide:

- (a) Basic weekly indemnity of fifty dollars (\$50) or 75% of weekly earnings, whichever is greater;
- (b) a prescription drug plan;
- (c) a dental care plan; and
- (d) Basic life insurance of \$2,500 for each employee during his working life, insurance of \$1,500 to be continued after retirement at no additional cost.

Effective January 1, 1966, all employees covered by this notice shall begin to accumulate sick leave with pay at the rate of one and one-half days per month.

Effective January 1, 1966, Wage Agreement #15 shall be amended to provide that when employees are required to work away from home and/or who move in the voluntary exercise of seniority shall suffer no loss of wages for travel time and shall be reimbursed for associated expenses (rooms, meals, automobile allowance, etc.)

Effective January 1, 1966, Wage Agreement #15 shall be amended to provide for three (3) days bereavement leave without loss of wages when there is a death in the employee's immediate family (husband, wife, son, daughter, brother, sister, mother, father, mother-in-law, or father-in-law).

Effective January 1, 1966, deductions of Union dues shall commence on the payroll for the last pay period of the calendar month in which the employee commences service with the Railway. (This demand was settled by negotiations between the parties before the Board met.)

Wage Agreement #15 between the Railways and Division No. 4 including the Organizations signatory thereto shall be made to conform with these proposals effective January 1, 1966 and shall continue in effect until December 31, 1967, subject to sixty days' notice by either party, which may be given at any time subsequent to October 31, 1967.

Nothing in this notice shall be construed to diminish in any way any existing rules or practices pertaining to any of the various Organizations listed hereunder on a national basis.

Before entering upon a consideration of these several demands, I should say that, while it has been the custom in recent years for the organized Non-Operating Railway Employees to negotiate as a unit, this year they have divided for bargaining purposes into three separate groups, namely, the Canadian Brotherhood of Railway, Transport and General Workers representing 20,300 employees, a group which may be termed the Residual Non-Operating Employees, numbering 49,000 and the Brotherhoods representing the 22,200 Shop Craft Employees. It is this latter group of employees who were represented by the above-named unions and to whom this report relates.

My comments and recommendations are as follows:

#### Wage Increases

I have taken into consideration the 12 factors referred to in my 1964 report, the first of which was a comparison of the average hourly earnings of the organized Non-Operating Railway Employees with the average hourly earnings of the Durable Goods Manufacturing Industries Employees. Those factors appear to me to remain as valid considerations in determining what is fair, just and equitable remuneration to be paid to Non-Operating Employees of the Railways in 1966 and 1967. None of the parties to these proceedings contended otherwise.

As at December 31, 1965, the average hourly earnings of all Non-Operating Railway Employees (excluding Maintenance of Way Extra Gang Employees whose earnings have traditionally been excluded from the comparison with Durable Goods Employees) was \$2.23. The 22,200 employees represented before this Board average \$2.37 per hour. The average hourly earnings of the employees in Durable Goods Manufacturing Industries in Canada at the end of 1965 was \$2.33.

The average hourly earnings of Non-Operating Railway Employees increased by 21 cents an hour over the two year period ended December 31, 1965 as compared to an increase of 17.3 cents an hour for Durable Goods Employees. According to the evidence presented to the Board, Employees in Durable Goods Industries are likely to gain an average increase in earnings of about 10 cents an hour in each of the years 1966 and 1967.

The present occupational wage rates for Non-Operating Railway Employees (excluding Maintenance of Way Extra Gangs) range from a low of \$1.60 to a high of \$2.51 for hourly rated employees and from \$228.08 to \$619.24 for monthly paid employees.

During the two-year period ended December 31, 1965 the Consumer Price Index rose by 4.9 per cent. Indications are that it will rise a further 3 per cent in each of the years 1966 and 1967. A majority of the Non-Operating Railway Employees live and work in the cities where living costs are high and rising constantly.

Canada has experienced five years of expansion since the end of the last cyclical recession in the first quarter of 1961. This ranks as the longest peacetime cyclical expansion in Canadian history. The Canadian Gross National Product in 1965 rose by rather more than 9 per cent. The majority of the authorities quoted to us have been optimistic about the prospects for further growth of about the same order in 1966. "The outlook for 1966," according to Mr. N. R. Crump, President and Chief Executive Officer of Canadian Pacific Railway Company, "is for continued growth, though perhaps not quite on the scale of 1964 and 1965."

The economic position of the railways has improved over the past two years. Corporate net income (before taxes) of the Canadian Pacific Railway Company has increased substantially. In 1963, this figure was \$63,000,000; it rose to \$102,000,000 in 1964 and to \$101,000,000 in 1965. The rate of return on corporate net investment of Canadian Pacific for 1964 and 1965 was also substantially higher than that of 1963. The financial operating statistics of Canadian National Railways, while less spectacular, also showed gains in 1964 and 1965 compared with 1963.

In competition with other forms of transportation, the railways have also shown improvement, at least to the point of holding their own. In 1963, the railways performed 75,796 millions of intercity ton-miles in Canada, for a 42.4-per-cent share of all intercity ton-miles performed by all types of carrier in Canada; in 1964, the railways performed 85,033 millions of intercity ton-miles, again for a 42.4-per-cent share. In 1963, the railways performed 2,070 millions of intercity passenger miles in Canada, for a 3.8-per-cent share of all intercity passenger miles performed by all types of carrier in Canada; in 1964, the railways performed 2,681 millions of intercity passenger miles, for a 4.6-per-cent share. Comparable figures for intercity ton-miles and passenger miles for 1965 were not presented before the Board.

For the immediate future, it seems reasonable to assume that, given continued aggressiveness in the transportation market and in the search for technological advances and service developments, the railways should at least be able to consolidate their economic and competitive achievements of the past two years.

It may be said that the recent wage settlements in the Quebec longshoring and St. Lawrence Seaway disputes should govern my recommendations as to wage increases. I think not. It should be noted that the employees affected by such settlements are not working in Durable Goods Manufacturing Industries; such settlements are not typical or representative of negotiated wage settlements for 1966 and 1967 in such industries or in industry in general; such settlements involved a relatively small number of employees and arose out of special circumstances and facts which are clearly distinguishable. It would, I think, be no more justifiable to consider such settlements as governing factors in my determination than it would be to say that other wage settlements of amounts less than my recommendation which involve larger numbers of employees, of which many examples could be cited, should govern. In my view, a national standard--not individual settlements or regional standards--is the proper standard to apply to the national railway industry, whose employees live in remote hamlets and in metropolitan areas across Canada. The national standard of the earnings of Durable Goods Employees, adjusted for the factors referred to in my 1964 report, remains, I think, as



the sensible standard, because those two groups of employees are the most nearly comparable. Such standard has the support of many years of jurisprudence. It would, I think, be unwise to abandon it at this time in the interests of expediency.

My recommendation as to wage increases is the equivalent of an average increase in rates of 43 cents an hour during the latter half of 1967 for employees affected by this report. Such increase in rates will produce earnings in excess of that amount. For instance, an increase in rate of 19.1 cents an hour agreed upon for the years 1964 and 1965, produced average earnings of 21 cents per hour by reason of changes in skill mix and payment of premium rates. Accordingly, I would expect that the recommended increase in average rates of 43 cents an hour will produce an average increase in earnings by the end of 1967 in excess of 47 cents an hour.

In the collective agreements between the railway companies and their non-operating employees, the practice in recent years has been to divide the total cents per hour increase agreed upon into two parts, one part being expressed in cents per hour and the other part in percentage terms. This practice has worked to the relative disadvantage of skilled and semi-skilled employees. Accordingly I am of the opinion that the general wage increases to be incorporated in the new collective agreements should be expressed solely in percentage terms.

My Recommendation is as follows: To the hourly basic rates of pay in force at December 31, 1965, there shall be added:

- (a) effective January 1, 1966 add 4%,
- (b) effective July 1, 1966, add a further 4%,
- (c) effective January 1, 1967 add a further 4%,
- (d) effective July 1, 1967, add a further 6%.

Daily, weekly and monthly rates shall be increased in an equivalent manner.

#### Class "B" Mechanics

A special committee shall be established immediately composed of an equal number of representatives of the unions affected and the railway companies affected to study the job content and skill requirements of employees receiving Class "B" rates of pay and to enquire into the demands made by the unions before this Board, said study and enquiry to be completed within four months after signing of the Master Agreement. If the parties fail within such period of time to reach agreement, the issues remaining unresolved shall forthwith thereafter be submitted to binding arbitration.

#### Shift Differential

No change is recommended in the present practice.

#### Employee Benefit Plan

Effective January 1, 1967, the plan shall be revised to provide Two Thousand (\$2,000) Dollars of life insurance for each participating employee instead of Fifteen Hundred (\$1,500) Dollars as heretofore and to provide Weekly Indemnity payments of \$50 as heretofore, the cost thereof to be shared equally by the railways and the employees, provided that the present arrangement whereby the cost of \$1,000 of life insurance and \$10 of the weekly indemnity shall continue to be borne by the Special Fund under the plan, until exhausted.

The request of the unions for the institution of a prescription drug plan and a dental care plan shall be deferred for further consideration after the institution of the Federal Government Medical Care Plan scheduled to become effective on July 1, 1967.

The request of the unions for cumulative paid sick leave to take effect from the employee's first day of absence from work due to illness is NOT recommended.

#### Bereavement Leave

Employees having one year or more of service shall be entitled once in each calendar year to three days bereavement leave without loss of pay when the employee's spouse, child or parent dies.

#### Annual Vacations

Effective on January 1, 1967, annual vacations with pay shall be granted as follows:  
Two weeks after one year of service as heretofore  
Three weeks after twelve years of service instead of after fifteen years as heretofore.

#### Statutory Holidays With Pay

No change is recommended in the present provision for eight paid statutory holidays a year.

#### Pay Period

Discussions between the parties shall be commenced at once with a view to finding a solution to administrative

es to the end that employees may be paid every second week instead of semi-monthly as at present.

#### Travel Time Allowance

No change is recommended in the present practice.

#### Relocation Expenses

No change is recommended in the present practice.

#### Term of Agreement

The new agreements shall be for a two-year period ending on December 31, 1967.

Save as aforesaid, the terms and conditions contained in the former collective agreements shall be renewed.

Dated at the City of Vancouver in the Province of British Columbia this 29th day of June, 1966.

Respectfully submitted,

(Sgd.) F. Craig Munroe,  
Chairman.

#### REPORT OF A.G. COOPER

##### The Issues

The issues between the parties to these proceedings fall into two categories, (1) wage increases and (2) other demands not directly involving increases in the wages of the employees represented before this Board.

I agree with the recommendations of the Chairman, the Honourable Mr. Justice F. Craig Munroe, on all the matters included in the second category and dealt with by him in his Report under the following headings, namely, Class "B" Mechanics, Employee Benefit Plan, Bereavement Leave, Annual Vacations, Statutory Holidays with Pay, Pay Period, Travel Time Allowance, Relocation Expenses and Term of Agreement.

##### Request for Wage Increases

The request of the unions for wage increases is as follows:

(a) Effective January 1, 1966 rates of pay in effect December 31, 1965 for all employees covered by this notice shall be increased 23%.

(b) A further increase of 30% in rates of pay in effect December 31, 1965 for all employees working as mechanics to compensate for their skills, and to eliminate wage inequities between the various classifications of mechanics, shall be made effective January 1, 1966.

(c) A further increase of seven (7) cents per hour for all employees working afternoon shifts and eleven (11) cents per hour for all employees working night shifts shall be made effective January 1, 1966.

The Chairman has rejected the request for shift differentials by stating "No change is recommended in the present practice" and I agree. I also concur in his conclusion as to the request contained in (b) above quoted. However, I respectfully do not agree with the recommendation of the Chairman as to increases to the hourly rates of pay in force at December 31, 1965 and to daily, weekly and monthly rates, for the reasons which I now set forth.

(From this point Mr. Cooper's report is identical with that he submitted in the dispute between seven major Canadian railways and seven unions of non-operating railway employees (above), under the headings Durable Goods Standard, Movement in Earnings in Durable Goods, Consumer Price Index, Economic and Competitive Position of the Railways, The Canadian Economy, Cost of Wage Increases, and Recommendation for Wage Increases.)

#### REPORT OF HARRY S. CROWE

(The report of Mr. Crowe in this dispute is identical with that he submitted in the dispute between seven major Canadian railways and seven unions of non-operating railway employees (above), up to the paragraph, Wage Rate Recommendations.)

I recommend that to the hourly basic rates of pay in force at December 31, 1965 there should be added:

(a) Effective January 1, 1966, 11½% for all employees.

(b) Effective January 1, 1967, 11½% of rates of pay in force at December 31, 1965 for all employees.

(c) Effective January 1, 1966, an additional 8½% for all employees working as mechanics.



(d) Effective January 1, 1967, an additional 8½% of rates of pay in force at December 31, 1965, for all employees working as mechanics.

(e) Effective January 1, 1966, an additional 2½% for all employees working as "B" mechanics to reduce the gap between "A" and "B" mechanics.

(f) Effective January 1, 1967, an additional 2½% of rates of pay in force at December 31, 1965 for all employees working as "B" mechanics to reduce the gap between "A" and "B" mechanics.

(g) Effective January 1, 1966, an additional 3½¢ per hour for all employees working afternoon shifts and an additional 5½¢ per hour for all employees working night shifts.

(h) Effective January 1, 1967, an additional 3½¢ per hour for all employees working afternoon shifts and an additional 5½¢ per hour for all employees working night shifts.

(Daily, weekly and monthly rates shall be increased in an equivalent manner.)

(The remainder of Mr. Crowe's report is identical with that he submitted in the dispute affecting non-operating railway employees (above) except that paragraphs dealing with Job Security Funds and Technological Changes (page 14) are not included in the report in this dispute.)

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Report of Board of Conciliation and Investigation established to deal with dispute between

4 Canadian Railway Companies  
and  
Canadian Brotherhood of Railway, Transport and General Workers

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The Board of Conciliation and Investigation established to deal with a dispute between Canadian National Railways, Northern Alberta Railways Company, Toronto Terminals Railway Company, The Shawinigan Falls Terminal Railway Company and the Canadian Brotherhood of Railway, Transport and General Workers was under the chairmanship of the Honourable J.C.A. Cameron, Q.C., Ottawa. He was appointed by the Minister in the absence of a joint recommendation from the other two members of the Board, A.G. Cooper, Q.C., Halifax, N.S., and E.P. O'Neal, Vancouver, B.C., who were previously appointed on the nomination of the companies and union, respectively.

Each of the three members of the Board filed a separate report, which the Minister of Labour received on August 11, 1966.

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Honourable J.R. Nicholson,  
Minister of Labour,  
Ottawa, Ontario.

Dear Sir:

Pursuant to the provisions of Section 28(5) of the (Industrial Relations and Disputes Investigation) Act, you appointed me as a member and Chairman of a Conciliation Board to endeavour to bring about agreement between the above-named parties respecting the terms to be incorporated into the collective agreements governing conditions of employment on and after January 1, 1966, the former agreement having expired on December 31, 1965.

Mr. E.P. O'Neal of Halifax was the nominee on the Board of the Brotherhood; and Mr. A. Gordon Cooper, Q.C., of Halifax was the nominee on the Board of the railway companies.

Sittings of the Board to hear evidence and argument were held in Montreal on June 23, 24, 27 and 28, 1966 and thereafter the Board members deliberated and met from time to time with representatives of the respective parties. In spite of the efforts made by the Board to bring about an agreement between the parties, such efforts were unsuccessful.

The Brotherhood represents some 20,485 non-operating employees of the Canadian National Railways (and of the other named railways, which are jointly operated by the Canadian Pacific Railway Company and the Canadian National Railways). Between 1952 and 1964 the Associated Railway Unions carried on negotiations for all non-operating personnel on Canadian railways. All such agreements last expired on December 31, 1965, at which date the total number of such employees was approximately 91,700. For the first time in many years this Brotherhood, acting independently of the other unions, on November 2, 1965 submitted proposals for amending the 18 collective agreements set out in its Submission A; negotiations commenced in that month and were carried on until March 1966. Certain rule changes, and some minor monetary issues (not including wage rates) were settled, but the major monetary issues were unsettled. The remaining areas of dispute were described in a letter from the Brotherhood to the Minister of Labour dated March 18, 1966. Since that date the parties have reached complete agreement on Item 16 therein and have also resolved differences concerning seniority groupings in so far as they applied to Agreement 5.1. In addition, Item 19 therein relating to the frequency of paydays has been revised. At the opening of the hearing, the Brotherhood filed an amended statement of its demands representing the 19 points now in dispute.

Negotiations for new collective agreements were also carried on separately by two groups referred to

respectively as the "Shop Craft Employees", numbering about 22,000; and the residual "Non-Operating Employees", numbering about 49,000. Failing to reach agreement, two Conciliation Boards similarly constituted, and each under the chairmanship of the Honourable Mr. Justice F. Craig Munroe, were appointed and under date June 29, 1966 each Board filed three separate reports.

The demands as stated in (the amended statement) are as follows:

Effective January 1, 1966:

1. All rates of pay shall be increased by ninety (90) cents per hour.
2. (Revised proposal) Work Stabilization Plan. Effective January 1, 1966 a Work Stabilization Agreement encompassing the following provisions shall be established:

(a) Beginning with the calendar year 1966 and in each calendar year thereafter, employment for employees covered by this agreement shall be not lower than Basic Employment as defined in Item (b) hereof, unless and until such reductions in employment have been negotiated in accordance with the Industrial Relations and Disputes Investigation Act and subject to conditions hereinafter described.

(b) In 1966, Basic Employment for employees covered by this agreement will equal the total number of straight-time hours of employment averaged annually during the three years 1963, 1964 and 1965. In 1967 and thereafter, Basic Employment will equal the total number of straight-time hours provided in the immediately preceding calendar year. Prior to April 1, each year, each Railway shall provide the General Chairman with statement showing Basic Employment for that year.

(c) Bulletin notice of any proposed force reduction shall be given to the employees and General Chairman concerned at least one hundred and twenty (120) days prior to the proposed reduction date and notification of intent to negotiate shall be returned within thirty (30) days of receiving such notice.

(d) Force reductions below Basic Employment shall normally be by established seniority groupings and shall normally be confined to withdrawal from service through death and normal retirement.

(e) When, and if, force reductions take place other than as defined in Item (d), then employees unable to hold a position shall be given first consideration for alternative employment with the Railway, including retraining without loss of pay, moving costs, and full compensation for financial loss attached to leaseholds or sale of homes, plus maintenance of income at least at the level of earnings in the last held position, adjusted to include subsequent general wage increases. Failing re-employment, employees so affected shall, for a period of five (5) years, have their income from all other sources supplemented by the Railway to maintain it at the level existing at the time of the original displacements from the Railway.

(f) When, and if, employees are required to move or transfer in order to hold work in the normal exercise of seniority or for any other reason, they shall be eligible for travel time with no loss of pay, moving costs, full compensation for financial loss attached to leaseholds or sale of homes, and retraining without loss of pay, plus maintenance of income at least at the level earned in the last held position adjusted to include subsequent general wage increases.

(g) A special subcommittee of the parties signatory to the Work Stabilization Agreement shall be established to act upon any dispute arising from the application of the agreement.

3. An employee shall be allowed twelve (12) days' sick leave per year with pay, accumulative to a maximum of two hundred (200) days.

4. Vacations with pay shall be on the following basis:

- (a) Fifteen (15) working days after five (5) years service
- (b) Twenty (20) working days after fifteen (15) years service
- (c) Twenty-five (25) working days after twenty (20) years service
- (d) Thirty (30) working days after twenty-five (25) years service

5. An employee required to perform work between the hours of 6.00 p.m. and 8.00 a.m. shall be paid a shift differential of fifteen (15) cents per hour.

6. An additional general holiday, namely, St. Jean-Baptiste Day, and outside the Province of Quebec, St. Jean-Baptiste Day to be substituted by another appropriate day as agreed to between the Company and the Brotherhood.

7. (Revised proposal) Employee Benefit Plan. Effective January 1, 1967, the Railways shall bear the full cost of the Non-Operating Employee Benefit Plan which shall be improved to provide:

(a) Basic weekly indemnity of fifty (50) dollars or seventy-five (75) per cent of weekly earnings, whichever is the greater.

(b) A Prescription Drug Plan.

(c) A Dental Care Plan, and

(d) Basic life insurance of \$2,500 for each employee during his working life and life insurance of \$1,500 to be continued after retirement at no additional cost.

8. No employee shall be required to cross a picket line recognized by the Brotherhood.

9. An employee shall be allowed bereavement leave with pay to the extent of three (3) days in the event of death in his immediate family.

10. Work normally performed by employees herein represented or similar work to that performed shall not be contracted to be performed by other than such railway employees.

11. Seniority and other related rules applicable to positions covered by agreements enumerated in request for conciliation proceedings dated March 18, 1966.

12. An employee or person not covered by a collective agreement shall not be permitted to perform work normally performed by an employee covered by a collective agreement.



13. (a) An employee shall be allowed a regular meal period of not less than thirty (30) minutes, nor more than one (1) hour, between the end of the fourth (4th) and the beginning of the seventh (7th) hours, unless otherwise locally arranged. Should an employee not be allowed a meal period within the agreed hours, he shall be paid for time worked at one and one-half ( $1\frac{1}{2}$ ) times his hourly rate, and at the first opportunity allowed twenty (20) minutes for lunch without deduction in pay. An employee shall not be assigned a meal period between the hours of 10.00 p.m. and 6.00 a.m. nor while away from his home terminal. Such employee shall be allowed twenty (20) minutes in which to eat between the end of the fourth (4th) and the beginning of the seventh (7th) hours, without deduction in pay.

(b) An employee shall be allowed a regular relief period of twenty (20) minutes between the end of the second (2nd) and the beginning of the fourth (4th) hours, and another between the end of the sixth (6th) and the beginning of the eighth (8th) hours, without deduction in pay.

14. An employee required to perform work on the following holidays:

New Year's Day	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	Remembrance Day
St. Jean-Baptiste Day	Christmas Day
Dominion Day	

shall be paid extra at one and one-half ( $1\frac{1}{2}$ ) times his hourly rate for time actually worked within the limits of his regular work day assignment, with a minimum of eight (8) hours.

15. A rule to provide that the name of the former incumbent shall be included on all bulletins.

16. Clauses in existing agreements or present practices, which are more beneficial, shall be retained and applied.

17. Rule to provide that any material change of working conditions or alteration of conditions of employment will be subject to negotiations.

18. All employees shall be paid every second Thursday. (Original proposal)

19. The duration of the agreement shall be for a period of two (2) years.

I shall consider and make my recommendations thereon in the order in which the demands appear in the amended statement. It is to be noted that the effective date of each is January 1, 1966.

## 1. Wages

The average hourly rate of straight-time pay for all employees represented before this Board as of December 31, 1965 was \$2.13 and if the present demand for an hourly increase of 90 cents an hour were granted, such average would be \$3.03. As shown by (Statement 102 of the Railway), it is estimated that the annual terminal costs of the wage increases for this group would be \$45,175,000; and that if all the demands were granted, the estimated annual increase (without taking into consideration requests for wage stabilization, prescription drug and dental care plans and other rule changes) would be \$67,063,000. The costs of the demands made on the Canadian National Railways by the two other non-operating groups was estimated at \$95 million annually, or a total annual increase in operating costs for all its non-operating unions of over \$162 million, or an annual average increase of \$2,885 per employee of the Canadian National Railways (exclusive of the items not estimated, as above). In addition thereto, labour costs have been incurred by the railways since the 1964 Munroe Report which resulted in the agreements that terminated December 31, 1965. The estimated cost of the provision of the Canada Labour (Standards) Code -- assented to March 18, 1965 -- is 1.4 cents an hour per employee (exclusive of "the hours of work" provision, the operation of which is presently deferred). In addition, it is estimated that the annual increase cost of the Canada and Quebec Pension Plans from January 1, 1966 will be \$6 million in excess of the cost under the private pension plan of the railway.

It may be noted here also that the cost of this railway of 1-per-cent increase in wage rates is estimated at \$1,046,000, and an increase of 1 cent an hour is \$497,000 -- in each case only for the employees represented by this Brotherhood.

The claim for a 90-cent-an-hour increase in straight-time wages for all employees is on the basis of the productivity performance of the railways, and is, as stated in the brief submitted:

A radical departure from the time-honoured mechanism by which the area of non-operating wages has been traditionally determined. For the first time since 1950 a union representing non-operating railway workers is proposing a criterion for settlement other than a comparison with earnings in the durable goods sector of manufacturing industry.

After rejecting the earnings in the durable goods sector of the manufacturing industry as a standard (or a basis for comparison with certain adjustments thereto), the submission of the Brotherhood continued:

Of all the varying statistics which are readily available, those best fitted to reflect the physical output of the railway labour force of the CNR are the yearly figures of Revenue Freight Ton Miles and Revenue Passenger Miles. Together, these illustrate, in physical terms, the extent of the company's freight and passenger business, two aspects accounting for approximately 85 per cent of operating revenue each year. In this analysis, productivity will be defined as production per employee, the unit expressing the number of Revenue Freight Ton and Revenue Passenger Miles attributable to one employee in a given year. In combining the number of freight and passenger miles for the purpose of expressing total revenue mileage, a composite term called the Revenue Traffic Unit will be used. Expressed as a certain number per employee, this gives us our measurement of productivity. However, the simple addition of the freight and passenger miles would have the effect of understating the value of passenger miles in terms of revenue to the company. In fact, on the CNR, the revenue accruing from one passenger mile has tended, throughout the period under study, to exceed revenue from one Freight Ton Mile by two and one-half times. Thus,



the Revenue Traffic Unit, our composite figure for physical output, will be developed in such a way as to state the value of the Revenue Passenger Mile at two and one-half times the value of the Revenue Freight Ton Mile.

In order to derive a measure of productivity, the total number of Revenue Traffic Units in a given year is divided by the average number of employees for the same year. In (a table not included in this report) it will be seen that this procedure has been followed for each year since 1954. The eleven-year trend can be seen most clearly from the index numbers in the final column. The over-all picture is one of an increasing rate of productivity growth, the increments in the last few years being especially striking. In percentage terms (1965 over 1954), the increase in productivity is estimated as being 78.3 per cent. On a compound basis, the year-to-year growth shows an average tendency toward a 5.41-per-cent annual increase, as is illustrated in (another table)

Then at p. 18 of the submission it states its proposal as follows:

Our proposal is that an average wage be established which, on the basis of real wages as they existed in 1954, relates to the real increase in productivity since that time. Because the application of the productivity criterion to wage determination requires that real wage increases be related to productivity increase, it follows that the wage increases referred to here must be net of any wage increment which has served merely to offset the rising cost of living. The Consumer Price Index for 1965 was, on average, 19.3 per cent higher than the index for 1954, meaning that wage increases equal to 19.3 per cent of the 1954 wage served only to preserve the purchasing power of the dollar, while granting the employee nothing of his fair share of the returns from increasing productivity. Seen in this way, a current average non-operating wage of \$1.74 per hour would be equivalent to the \$1.46 per hour paid in 1954. To the \$1.74 per hour must now be added a real increase commensurate with the increase in productivity, which means an increase of 78.3 per cent (based on official statistics to 1964 and estimates for 1965). Had the productivity issue played a more prominent role in wage determination in the past, the pattern of wage settlements would have followed, to a greater extent, the trend shown in (another table) arriving stage by stage at the average non-operating wage which we are now proposing.

It is on this basis that the demand for a 90-cent increase an hour "across the board" is said to be justified.

I do not propose to examine this argument in great detail. In my view it has been shown to be an unsound basis upon which to determine what wage rates should be established over the lifetime of the new contract, i.e., for the years 1966 and 1967.

In the first place it is a fallacy to suggest that all of the actual increased productivity should be allotted to labour, and be reflected entirely in increased wages. That that is so was admitted by Mr. Carew, the Brotherhood's Assistant Director of Research, when he was cross-examined by Dr. Bandeen, the Railway Chief of Development Planning. It is practically self-evident that other factors should be taken into consideration, such as increases of capital, new equipment and managerial ability. In its final summation, the Brotherhood at p. 657 of Vol. 3 of the transcript referred to "The Economics of Labour (1965)" by an economist Dr. S. Peitchinis, and quoted therefrom in part as follows:

"In view of this interrelationship between technological progress and the competence of the labour force, capital and labour should be regarded as a joint factor in the production process, and the increase in productivity attributed to them should be regarded as a joint capital-labour productivity...."

"However, this suggestion of coalescence between capital and labour raises an important question. How will the increase in productivity be allocated amongst labour, capital and other factors of production? The answer is simple, if we assume that each factor receives an equitable share of the total product.... If labour was the only factor of production, and the entire product was paid out in the form of wages, the conclusion would stand that an increase in productivity would absorb the entire increase in output. However, since labour is one of a number of factors of production, and wages absorb only part of the total product, an increase in wages proportionate to the increase in productivity means that wages will absorb a proportion of the increase in output equal to the proportion of the total output absorbed by them."

There are also other serious defects in the method used by the Brotherhood in arriving at its measure of productivity. I find no satisfactory reason for taking the period 1954 to 1965 to measure the gain in productivity. A low base year such as 1954 naturally tends to show an unwarranted increase in productivity. If the years 1964 and 1965 were used, very different results would be obtained. Then too, it is established by the evidence (Transcript, Vol. 2, p. 177) that to arrive at the productivity measure it is improper to use the average number of employees for the same year, as was here done. The proper method is to use man-hours actually worked so as to allow for seasonal fluctuations, overtime, etc. Again the method used to determine productivity did not weigh man-hours by occupation. As stated by Professor Kendrick of the University of Connecticut in his pamphlet "Measuring Company Productivity": "Unweighted man-hour inputs are inappropriate since some of the apparent 'productivity' gain has already accrued to workers in the form of upgrading."

I find therefore that the "productivity" as computed by the Brotherhood is of no use in determining what wage increases should be granted.

Now there is no doubt that some sort of standard must be applied with suitable variations in determining proper wage rates. As stated earlier, for many years the yardstick used and embodied in a large number of collective agreements between the railways and the unions (with suitable variations) has been the average hourly earnings of the Durable Goods Manufacturing Industries Employees. In his recommendation in both 1966 Boards of Conciliation previously referred to (and on this point concurred in by Mr. G. Cooper, the nominee of the Railways on the Boards), the Chairman, the Honourable Mr. Justice F.C. Munroe, stated:

I have taken into consideration the twelve factors referred to in my 1964 report, the first of which was a comparison of the average hourly earnings of the organized non-operating railway employees with the average hourly



earnings of the Durable Goods Manufacturing Industries Employees. These factors appear to me to remain as valid considerations in determining what is fair, just and equitable remuneration to be paid to non-operating employees of the railways in 1966 and 1967. None of the parties to these proceedings contended otherwise.

It is of interest to note that the same comparable was used by the Conciliation Board in 1958 under the Chairmanship of the Honourable Mr. Justice H. F. Thomson. Mr. David Lewis, the nominee of the Unions on the Board, concurred in the report of the Chairman and, in the report of his Additional Observations, stated in part as follows:

I do not ignore the evidence of the differences between the Railways and Durable Goods Industries, so fully and properly set out and commented upon by the Chairman in his Report. It is, however, nonetheless my conclusion that those differences do not outweigh the points of comparison and similarity and do not by any means invalidate the Durable Goods standard as being a fair and reasonable one with which to compare the earnings of Non-Operating Railway employees.

In view of the history concerning the question of an appropriate standard of comparison, it would be highly regrettable if the Unions were asked or forced to abandon the Durable Goods standard...

The above are some of the reasons which impel me to continue to emphasize the appropriateness and reasonableness of the Durable Goods standard in spite of the differences outlined by the Railways and commented upon by the Chairman.

Statement 101 of the Railways (included in the report of A. Gordon Cooper) gives a summary of Company-Brotherhood agreements involved in these proceedings. Group B thereof comprises 2,161 employees designated as Road Service Employees (sleeping, dining car and parlour car employees); and Group A is made up of 18,129 other employees, of which 17,042 are in clerical positions.

Statement 110 which follows is a comparison of the monthly rates paid by the railways to selected groups of typists, stenographers and key-punch operators, with those paid for similar classifications in outside industry.

#### STATEMENT 110

##### Selected Clerical Comparisons

Company Job Titles	C.N.	Outside Industry	Department of Labour Job Titles
Typist (Lowest Rate)	\$328.20	\$236.95	Typist (Junior)
Typist (Highest Rate)	\$376.30	\$284.08	Typist (Senior)
Stenographer (Lowest Rate)	\$341.18	\$258.30	Steno (Junior)
Stenographer (Highest Rate)	\$374.26	\$315.20	Steno (Senior)
Key-Punch Operator (Lowest Rate)	\$346.17	\$264.16	Key Punch Opr. (Jr.)
Key-Punch Operator (Highest Rate)	\$374.26	\$312.64	Key Punch Opr. (Sr.)

SOURCE: Statement 109.

It will be noted that the rates paid by the railway are substantially in excess of those paid in outside industry.

Statement 109 of the Railway, which follows, gives the percentage difference between Canadian National high and low standard rates and weighted average national rates as of December 1965.

#### STATEMENT 109

##### Percentage Difference Between CN High and Low Standard Rates and Weighted Average National Rates as of December, 1965

(1) Department of Labour Classification	(2) Weighted Average National Rates as of Dec./65	(3) CN Range of Standard Rates Paid as of Dec./65		(4) Percentage Difference CN vs. Weighted Average National Rates	
		Low	High	Low	High
Office Boy	\$223.94	\$223.50	\$248.13	-.2%	10.8%
Typist Junior	236.95	328.20		38.5	
Typist Senior	284.08	328.20	376.30	15.5	32.5
Stenographer Junior	258.30	341.18		32.1	
Stenographer Senior	315.20	341.18	374.26	8.2	18.7
Calculating Machine Operator (Female)	285.16	303.84	374.26	6.6	31.2
Bookkeeping Machine Operator (Male)	267.18	346.78		29.8	
Billing Machine Operator	266.79	312.14	367.23	17.0	37.6
Key Punch Operator Junior	264.16	346.17		31.0	
Key Punch Operator Senior	312.64	346.17	374.26	10.7	19.7
Tabulating Machine Operator (Female)	305.83	374.26		22.4	
Tabulating Machine Operator (Male)	376.31	374.26	416.32	-.5	10.6
Filing Clerk	227.91	283.19	395.27	24.3	73.4

SOURCE: 1. Wage Rates and Hours of Labour, 1965. Department of Labour, Ottawa.

2. Data provided on request by the Economics and Research Branch, Department of Labour, Ottawa.

3. Company records.

From the data contained herein it will be noted that the railway range of standard rates paid in December 1965 is, with only two minor exceptions, substantially in excess of the weighted average national rates for the same date.

Statements 111, 112 and 113 which follow provide a comparison between rates paid by the railways for certain classifications and those paid in outside industry in Canada.

#### STATEMENT 111

##### Comparative Rates for Warehouse Classifications in the Truck Transportation Industry and in Canadian National

Truck Transportation Classification	Weighted Average National Rate Oct. 1/65	Weighted Average National Rate Dec. 31/65	Canadian National Rates for Warehousemen as at Dec. 31/65		
			W <sup>1</sup>	W <sup>2</sup>	W <sup>3</sup>
Checker	\$1.97	\$1.98	\$2.22	\$2.10	\$2.03
Freight Handler	1.92	1.94			
Warehouseman	1.87	1.89			

SOURCE: Canada Department of Labour.  
Company Records.

#### STATEMENT 112

##### Comparative Rates for Labourers in Outside Industry and in Canadian National

	Weighted Average National Rate Oct. 1/65	Weighted Average National Rate Dec. 31/65	Canadian National Range of Rates for Labourers* Dec. 31/65
Labourer	\$1.91	\$1.93	\$1.871 \$1.94 \$1.988 \$2.009

\*Included are: Unclassified Labourer  
Classified Labourer (where no foreman is employed)  
Classified Labourer (where foreman is employed)  
Stores Labourer.

SOURCE: Canada Department of Labour  
Company Records.

#### STATEMENT 113

##### Comparative Rates for Truck Drivers in Outside Industry and in Canadian National

	Weighted Average National Rate Oct. 1/65	Weighted Average National Rate Dec. 31/65	Canadian National Range of Rates Paid to Truck Drivers (Motormen) Dec. 31/65
Truck Driver (Light and Heavy Truck)	\$354.96	\$358.87	\$346.78 \$349.27 \$363.62 \$374.86

##### Canadian National Motormen

Agencies	No. of Motormen*	Rates as at Dec. 31/65	Weighted Average Rate
Group 1	1,435	\$374.86	
Group 2	147	363.62	
Group 3	64	349.27	
Others	11	346.78	

\*Company Survey - June 17, 1966.

SOURCE: Canada Department of Labour.  
Company Records.



These tables show that for many of the employees in Group A, rates of pay in December 1965 were substantially in excess of rates paid not only in the Durable Goods section of the manufacturing industry but in outside industry as a whole.

The employees in Group B -- namely sleeping, dining and parlour car employees -- are in a somewhat different position inasmuch as prior to the present hearings the Railway and the Brotherhood agreed to revise their agreement; thereby the work month of such employees was reduced from 208 hours (48-hour work week) to 174 hours (40-hour work week) in stages from July 1, 1966 to June 1, 1967. This amendment in working hours with no reduction in take-home pay has resulted in an hourly wage improvement from 31 to 44 cents an hour for such employees, and the cost to the railway is \$1,692,364 per annum. It may be noted that in paragraph 6 of the Railway's Submission on this point, the average rates paid to this group at June 30, 1966 are increasingly in excess of the average hotel rates for similar classifications.

In endeavouring to determine what recommendation should be made to ensure that the employees have a fair, just and equitable wage rate for the years 1966 and 1967 I have taken into consideration a number of factors.

During the two-year period ended December 31, 1965 the Consumer Price Index rose by approximately 5 per cent and it would appear reasonable to assume that it would increase by about 3 per cent in each of the years 1966 and 1967. In the last five years Canada has enjoyed five years of expansion; in 1965 the Gross National Product rose by more than 9 per cent. The evidence as a whole would seem to indicate that further expansion is to be expected, although there may be signs of a levelling-off.

Moreover, as stated in the 1966 Munroe Report, the economic position of the railways has improved in 1964 and 1965 and is likely to improve still further in 1966 and 1967.

In determining the wage rate to be established I have given consideration to certain settlements in wage disputes made in June 1966, but find them of relatively little assistance. To a substantial extent the employees involved in both the St. Lawrence Seaway dispute and in the Quebec longshoremen's dispute were engaged in a seasonal occupation and the number of employees involved was relatively small, constituting but a small fraction of the total of the Railway Non-Operating Employees. I am also of the opinion that the more sensible standard to adopt is that which has been followed for many years, namely that of the Durable Goods Employees -- who like those in the railway non-operating unions are scattered throughout Canada in large and small centres.

In view of the recent improvement in wage rates for the employees in Group B (the S.D. and P.C. Service), I regret that there is not sufficient information before us to make separate recommendations for those in Group A and those in Group B.

My recommendation therefore, after weighing all factors, is the same as that made by Mr. Justice Munroe in the two 1966 conciliation board reports, for all the other non-operating employees of both railways, and for the same reasons. It is as follows:

To the hourly basic rates of pay in force at December 31, 1965, there shall be added:

- (a) Effective January 1, 1966, add 4 per cent;
- (b) Effective July 1, 1966, add a further 4 per cent;
- (c) Effective January 1, 1967, add a further 4 per cent;
- (d) Effective July 1, 1967, add a further 6 per cent.

Daily, weekly and monthly rates shall be increased in an equivalent manner.

As pointed out by Mr. Justice Munroe, this increase will result in an average increase in rates of about 40 cents an hour during the latter part of the new contract; and in effect will likely produce even more. For the years 1964 and 1965 the increase of 19.1 cents an hour agreed upon produced 21 cents per hour by reason of changes in skill mix and payment of premium rates.

## 2. Work Stabilization Program

As a result of a recommendation made by the 1962 Conciliation Board, there was established a Job Security Program embodied in an agreement between the Canadian National Railways and the Canadian Pacific Railway Company and all their non-operating employees, represented by the Associated Railway Unions, dated November 16, 1964.

A fund was established by each railway company in an amount equal to 1 cent per hour worked (or paid for) by all its employees covered by the collective agreements, on and after January 1, 1963. The agreement provided that any employee with seven or more years of cumulative service would, if laid off and unable to hold a job in his basic seniority territory, be entitled to a choice of severance pay (maximum \$1,200) or to weekly payments of \$12 (maximum of 52 weeks) which would be in addition to such Unemployment Insurance benefits as he was entitled to. The railway companies commenced payment into the fund as of January 1, 1963 but the plan became effective on January 16, 1966. As of April 30, 1966 there was \$4,123,650 in the fund of the Canadian National Railways and \$2,441,501 for the Canadian Pacific; and from January 16, 1966 to that date only \$36,060 (less than the accumulated interest) has been paid out of both funds.

Exactly the same Work Stabilization Plan as is now proposed was requested by the Residual Non-Operating Employees (numbering 49,000) before the 1966 Conciliation Board, the Reports of which are dated June 29, 1966. I have read the report therein of the Chairman, the Honourable Mr. Justice F.C. Munroe (which was concurred in by Mr. Gordon Cooper, Q.C., the nominee of the Railways) and I am in complete agreement therewith. It is sufficient to stress only one or two points which are in my view of particular importance. If the proposed plan were implemented, it would mean that the railway could not without the prior consent of the Brotherhood reduce the number of its employees (or their straight-time hours of employment) below those of the previous year; the result would undoubtedly be that in some years at least, when operations had been discontinued or reduced for good and valid reasons, the railway would have to retain and pay employees for whom there was no work.

In addition, the request in Item 2(e) that, failing re-employment, the employees so affected should for five years have their income from all other sources supplemented by the railway to maintain the total income at the level existing at the time of the original displacement, is not only unprecedented, but would also create gross inequalities; and from an administrative point of view it would be expensive and almost impossible to operate. The same may be said of the claim in 2(f) for full compensation for financial loss attached to leaseholds or sale of homes, if an employee were required to move or transfer in order to hold work.

Accordingly for these reasons, and for those stated by Mr. Justice Munroe, including his statement that "The Railway Companies must remain free to discontinue jobs the need for which has disappeared," I recommend that the Wage Stabilization Plan No. 2 in (amended statement of demands) be rejected. However, I would recommend, as did Mr. Justice Munroe, that the joint committee established to administer the Job Security Funds should undertake a study of the existing government plans referred to in his report, and in the light of such review, should examine the need for expansion of the purposes for which payment may be made out of the Job Security Fund, and the need (if any) of any increase in the scale of payment.

### 3. Sick Leave

This demand is for 12 days sick leave per year with pay accumulative to a maximum of 200 days.

Previous demands of like nature have been made since 1953 to Boards of Conciliation and Arbitration, which resulted in the establishment of a Health and Welfare Plan (called the Benefit Plan) on a contributory basis, shared equally and effective from January 1, 1957. From time to time the contributions and benefits have been increased and from its inception the contributions by the terms of the various agreements have been on a 50-50 basis. (The latest summary of the Benefit Plan is dated January 1, 1965.)

If granted, it is estimated that the provision would represent a direct increase in wage costs annually of \$5,907,000 (which amount is equivalent to a wage increase of 6 per cent or 12 cents an hour) as well as adding to the difficulties and costs of administration.

In view of the Benefit Plan -- later to be referred to -- I recommend that this demand be rejected. Similar demands were made to both of the 1966 Munroe Conciliation Boards and in each case they were rejected by a majority of the Members.

### 4. Vacations With Pay

Prior to the enactment of the Canadian Labour (Standards) Code which became effective July 1, 1965, railway employees had the following benefits in respect of annual paid vacation:

	Years of Service	Paid Annual Vacation
Monthly rated employees	over 1 year and less than 15 years	2 weeks
	15 years and under 25 years	3 weeks
	25 years and over	4 weeks
Hourly rated employees	over 1 year and less than 2 years	1 week
	2 years and less than 15 years	2 weeks
	15 years and less than 25 years	3 weeks
	25 years and over	4 weeks

The enactment of the Code established a two-week vacation period for an enlarged group of employees. Hourly and daily rated employees who formerly were not entitled to vacation on the two-week basis until after two years of service became entitled to two weeks vacation after 30 days employment relationship. The estimated annual cost to the railways of the increased benefits granted by the Code amounted to \$51,000 for the employees represented by this Brotherhood. It is now estimated that the further demands now asked by the Brotherhood in respect of annual vacations would amount to an additional \$2,463,000 -- a total of \$2,514,000 -- or an increase of 5.1 cents an hour.

Having considered the submissions of the parties and the data presented to us, I recommend that annual vacations with pay be granted as follows:

2 weeks after one year of service, as heretofore

3 weeks after twelve years of service, instead of after 15 years of service, as heretofore

4 weeks after twenty-five years of service,

and that such of these changes as were not in effect on December 31, 1965 be effective from January 1, 1967.

### 5. Shift Differential

This request is for a shift differential of 15 cents an hour for time worked between 6 p.m. and 8 a.m.

It is estimated that the annual cost of this request would be \$1,458,000 -- or 2.9 cents an hour.

Sec. 315 of the Railway Act obliges the railways under federal jurisdiction to receive, convey and deliver traffic without delay, and thereby in effect imposes on the railways the necessity of operating on a 24-hour basis -- a continuous operation.



While a shift differential is now a common provision in many industrial collective agreements, it has never found a place in railway operations either in Canada or in the United States. Boards established in 1961 and 1962 under the Chairmanship of Judge J. C. Anderson and Judge J. B. Robinson, respectively, rejected the proposal, the latter stating:

"There is not now in effect, nor since 1959 has there been in effect, any provision for night or any non-shift differential, for yard service employees or road service employees, on any major railroad either in the United States or Canada."

As shift work has always been a condition of employment that has been asserted in the railway industry, and is a prerequisite for the maintenance of efficient operations around the clock, I recommend that there be no change in the present practice.

#### 6. Additional General Holiday

Under the provisions of the Canada Labour (Standards) Code, Statute of Canada 1965, which came into effect July 1, 1965, every employee became entitled to a holiday with pay on each of the eight general holidays named in the Code, namely: New Year's Day, Good Friday, Victoria Day, Dominion Day, Labour Day, Thanksgiving Day, Remembrance Day and Christmas Day. Prior to 1965 the railways, to the extent that their operations permitted, observed seven general holidays, being the same days as above mentioned except Remembrance Day. The cost to the railway of the addition of one extra general holiday with pay is estimated to have been \$493,000 (equivalent to 2 cents an hour) for the employees represented by the Brotherhood; and the proposed addition of one extra holiday on St. Jean-Baptiste Day would cost a similar amount.

The Labour Code provides that any other holiday may be substituted for one of the named general holidays by agreement between the parties to a collective agreement. For example, Remembrance Day could be substituted for St. Jean-Baptiste Day in the province of Quebec, or for Civic Holiday elsewhere. The railways have entered into similar agreements with all unions representing their employees, other than with the Brotherhood, for eight general holidays. Accordingly I recommend that the request be not granted.

#### 7. Employee Benefit Plan

This demand reads as follows:

(7) (Revised proposal) Employee Benefit Plan

Effective January 1, 1967, the Railways shall bear the full cost of the Non-Operating Employee Benefit Plan which shall be improved to provide:

(a) Basic weekly indemnity of fifty (50) dollars or seventy-five (75) per cent of weekly earnings, whichever is the greater;

(b) A Prescription Drug Plan;

(c) A Dental Care Plan, and

(d) Basic life insurance of \$2,500 for each employee during his working life and life insurance of \$1,500 to be continued after retirement at no additional cost.

Under the heading "Sick Leave" (Demand No. 3), I have given a brief outline of the origin of the Health and Welfare Plan commonly called the Benefit Plan. As stated there, the principle of a contributory plan on a 50-50 basis to afford indemnity or protection against loss of wages due to sickness or accident has long been established and has been constantly recommended and accepted by the parties as recorded in the collective agreements. The Benefit Plan came into effect on January 1, 1957 and provided (inter alia) a weekly indemnity of \$40.

Under the present provisions of the Benefit Plan, weekly indemnity payments begin from the eighth day of absence from work because of illness, or from the first day because of accidental injury, and continue as long as the employee is unable to return to work, up to a maximum of 13 weeks for each separate sickness or injury. It is compensation for loss of income solely due to sickness or accident, the benefit being now \$50 a week if the employee's regular weekly earnings (base pay) are \$66.67 or more, or 75 per cent of base pay if less than \$66.67 per week.

As pointed out at p. 246 of Vol. 2 of the transcript there are certain classes of schedule employees of both the Canadian Pacific Railway Company and the Canadian National Railways who enjoy a form of dual coverage, which is a combination of sickness indemnity and paid sick leave, and is available to a majority of the monthly rated schedule clerical employees. It is intended as a supplemental income to eligible employees who are on sick leave during regular work days and not eligible for weekly indemnity benefits. This dual coverage is available on certain conditions only -- one of which is that the sick leave may be granted only when there is no additional expense to the company, and that the employee's duties will be performed satisfactorily by other members of the staff.

At current rates of pay, nearly all the employees represented by the Brotherhood receive the maximum weekly indemnity of \$50. Without any increase in wage rates, implementation of clause 7(a) would result in most of the employees' becoming entitled to weekly indemnities in excess of \$50 weekly as shown by the table on p. 263 of Vol. 2 of the transcript. For example, the indemnity payment of a common labourer would increase from \$50 to \$56.13 weekly, an increase of 12.3 per cent; that of an investigator (claims) would increase from \$50 to \$77.02 -- an increase of 58 per cent. If the wage demand of an increase of 90 cents per hour "across the board" were granted, the weekly indemnity of a common labourer would increase to \$88.13 weekly (an increase of 66.3 per cent) and that of an investigator (claims) would increase to \$106.02 weekly -- an increase over the present indemnity of 112 per cent.

It must be pointed out also that while the Benefit Plan now in effect makes no provision for a Prescription Drug

Plan or a Dental Care Plan, these demands are made at a time when a federal Medical Care Plan is being developed. The recommendations of the 1964 Royal Commission on Health Services includes a recommendation for dental services for certain classes, and also for prescription drug services.

It should be noted also that the total annual cost to the Canadian National Railways of the Benefit Plan for only the 20,485 employees represented by this Brotherhood is \$1,232,000. If the request that the railway bear the full cost were allowed, the cost would double to \$2,464,000. If to that there were added the cost of providing increased weekly indemnity payments and life insurance coverage as demanded, the additional cost would be \$1,201,000 -- a total of \$3,665,000 (not including cost of either a Prescription Drug Plan or a Dental Care Plan). That figure represents an increase in costs to the railway of \$2,433,000, which is equivalent to 4.9 cents an hour or 2.3 per cent addition to direct labour costs.

Precisely the same request was made to the two 1966 Conciliation Boards representing the other non-operating unions. In each case the majority awards were as follows:

1. Effective January 1, 1967, the plan shall be revised to provide Two-Thousand (\$2,000.00) Dollars of life insurance for each participating employee instead of Fifteen Hundred (\$1,500.00) Dollars as heretofore and to provide Weekly Indemnity payments of \$50.00 as heretofore, the cost thereof to be shared equally by the railways and the employees, provided that the present arrangement whereby the cost of \$1,000.00 of life insurance and \$10.00 of the weekly indemnity shall continue to be borne by the Special Fund under the plan, until exhausted.
2. The request of the Unions for the institution of a prescription drug plan and a dental care plan shall be deferred for further consideration after the institution of the Federal Government Medical Care Plan scheduled to become effective on July 1, 1967.
3. The request of the Unions for cumulative paid sick leave to take effect from the employee's first day of absence from work due to illness is NOT recommended.

I respectfully agree with these views and recommend accordingly.

#### 8. Picket Crossing

This request reads: "No employee shall be required to cross a picket line recognized by the Brotherhood".

Such proposal is entirely without precedent in Canada and so far as we were made aware has never been previously requested. In some aspects it is probably illegal. I recommend this request be not granted.

#### 9. Bereavement Leave With Pay

I recommend that an employee, commencing with the expiry of his probationary period, be allowed bereavement leave with pay to the extent of three days in each 12-month period, in the event of the death of his spouse, child or parent, and that such provision be effective from and after the date of signing of a new collective agreement.

#### 10. Contracting-out

In order to stress the dimensions of this request, it is quoted: "Work normally performed by employees herein represented or similar work to that performed shall not be contracted to be performed by other than such railway employees".

In its submission opposing this demand the railway stated that situations in which the railways let contracts for various jobs could conveniently be considered in four broad categories as follows:

- Expansion of plant -- construction, etc.
- Seasonal or intermittent work.
- Maintenance and ancillary operations.
- Off-premises manufacturing or repair of supplies and equipment.

A similar request was considered by the 1958 Board of Conciliation and the Chairman of the Board, Mr. Justice Thomson, in rejecting it stated as follows:

This demand is altogether too wide. If effect were given to it, the right of management would be unreasonably curtailed and the literal enforcement of any such rule would have results which the representatives of the union admit they never contemplated when the demand was made. As an extreme example, it might be pointed out that there are gangs on the railways who are at times engaged in building stations, bridges and many other types of buildings or other structures. If a rule such as contemplated by this demand were made, the Canadian National would never have been able to build the Queen Elizabeth Hotel in Montreal through an outside contractor. Obviously, in order to build any such structure, it is necessary to have an enormous organization with the most expensive equipment and a staff of expert engineers and technicians. Neither of the railways could afford any such organization or equipment to build any one building. After it was built the organization would have to be disbanded and the equipment disposed of.

The foregoing may be an extreme example, but it was only one of many given by the railway witnesses to show how seriously any such rule would curtail the rights of management and hamper the efficient and economical operation of the Railways. It may be, as the unions contend, that in certain specific instances the right of contracting-out has been asserted under circumstances which gave rise to some justifiable resentment. The investigation of those incidents before this Board, however, should have a salutary effect, and we are reasonably hopeful that the officials concerned will use more discretion and consideration in the future. We don't think that it is necessary to review in



detail all of the evidence tendered by the railways in support of their objections to this demand. It is sufficient to say that the Board has carefully considered all of the evidence given by the unions and the railways, and that it is satisfied that this demand of the unions cannot be granted and it so recommends.

The other two Members of that Board concurred in that opinion.

I also agree with that opinion. In order to discharge its responsibilities effectively, railway management must have the authority and freedom of action to determine and implement the most efficient and economical contribution of all factors, including labour. It is my view the right to contract out is an essential part of this authority and freedom.

I therefore must reject this demand.

At the same time I express the hope that, where such work can be done as efficiently, as speedily and at no greater cost, management will continue to do as I think they have probably done in the past, namely to use the services of their employees to the fullest possible extent.

#### 11. Seniority

This demand now reads: "Seniority and other rules applicable to provisions covered by the agreements listed above shall be revised."

This demand now relates only to the 463 employees of the Revenue Accounting Department at Montreal who are covered by Agreement 5, 15 between the parties. Seniority matters involving other collective agreements between the parties hereto were resolved during negotiations. The present request is that the current eight seniority groupings be replaced by two groups, one for all clerical employees, and another for machine operators.

In its submission the railway points out that in one of the existing seniority groups there are 35 positions classified as Rate and Division Clerk, all performing basically the same type of work and having the same conditions of work and the same salary scale. As submitted by the railway, to exercise seniority within such a classification would result merely in changing desks and chaos would result.

The railway states that it is not opposed to one seniority group for all clerical employees covered by Agreement 5, 15 and had so advised the Brotherhood during negotiations. In view of the fact that rules regarding seniority have been agreed upon in all other contracts during negotiations, I would recommend this demand be rejected, and that it be referred back for further negotiations as to rule changes, keeping in mind the desirability of avoiding unwarranted employee movement which would result merely in staff inefficiency.

#### 12. Exclusive Right to Perform Work

This demand reads: "An employee or person not covered by a collective agreement shall not be permitted to perform work normally performed by an employee covered by a collective agreement."

In addition to the 23,000 employees represented by the Brotherhood, the railway has approximately 50,000 other employees covered by 60 collective agreements with 25 different unions; and in addition there are about 12,400 employees not covered by any collective agreement.

As pointed out in the railway submission (transcript Vol. 2, p. 313), this demand if granted would result in jurisdictional disputes which the railway would have no way of settling. It would prevent a supervisor or foreman from instructing a new employee in his duties, or how to operate a machine, since these operations are normally performed by an employee covered by a collective agreement. Moreover, no officer of the railway or any of its employees not represented by a union would be entitled to do any of those things which are normally performed by an employee covered by a collective agreement -- such as answering a telephone, writing a letter and the like. In its submission the Brotherhood narrowed its complaint by stating it as follows:

Under this demand we are seeking to prevent work normally performed by members of the bargaining unit from being done by non-scheduled staff. Instances such as non-scheduled foremen performing the work of scheduled warehousemen and of office assistants doing clerical work are becoming increasingly common and it is our intention to put an end to the practice.

No evidence was led to support this allegation.

I recommend the rejection of this demand.

#### 13. Meal Periods

Only 854 out of 18,000 employees represented before this Board are assigned lunch periods over one hour to meet operational requirements, the majority of whom belong to the Express-Freight Operations. The following amendments to the existing Art. 4.6 of Agreement 5, 1 are demanded by the Brotherhood.

(a) Reduction of the regular meal period from 1 hour and 30 minutes to one hour.

(b) Punitive overtime at time and one-half for work performed during the meal period.

(c) Elimination of meal periods for employees working away from home terminal (except for 20 minutes at company cost).

(d) The 20-minute meal period at company cost allowed employees during the hours 10.00 p.m. to 6.00 a.m. and those working away from home terminal, to be assigned between the end of the fourth hour and the beginning of the seventh hour of work.

It is estimated that the additional annual cost of these demands would be \$493,000, representing an average monthly increase in pay for the limited number involved of \$48.

The meal period of 1½ hours was negotiated during 1962 and it was for the purpose mainly of meeting service requirements and also to suit the convenience of certain employees who prefer longer lunch periods. It has not been shown to my satisfaction that the arrangements made in 1962 should now be changed or that any part of this demand should be granted.

Accordingly I recommend that this demand be rejected.

#### 14. Pay for Statutory Holiday Work

The Brotherhood requests that all work performed on a statutory holiday be paid for at the rate of time and one-half, in addition to the regular day's pay with a minimum of eight hours.

Under the Canadian Labour (Standards) Code, Part IV, S.24, the employees represented by the Brotherhood are "Employed in a continuous operation." Section 31 thereof provides:

An employee employed in a continuous operation who is required to work on a day on which he is entitled under this Part to a holiday with pay

(a) shall be paid, in addition to his regular rate of wages for that day, at a rate at least equal to one and one-half times his regular rate of wages for the time worked by him on that day; or

(b) shall be given a holiday and pay in accordance with section 29 at some other time, which may be by way of addition to his annual vacation or granted as a holiday with pay at a time convenient to him and the employer.

It is to be noted, therefore, that an employee working on a statutory holiday is, under the Code, entitled to be paid not only his regular rate of wages for that day, but in addition to wages at a rate at least equal to one and one-half times his regular rate of wages for time worked on that day; or alternatively he is granted a holiday and pay in accordance with S. 29 at some other time. Section 30 relating to those employed in a non-continuous operation are given the benefits of para. (a) of S. 31 but not the alternative provided in para. (b) thereof.

As pointed out in the submission of the Railways (Trans. vol. 2, p. 228), payment for work performed on general holidays has been the subject of negotiations with the Brotherhood since the Canadian Labour (Standards) Code came into effect. It is stated and not denied that the railway has been successful in reaching agreement with all the other non-operating unions respecting the method of payment for holidays in the manner provided in the Code and these agreements comprehend the provisions of S. 31 (b) -- but has not had similar success with this Brotherhood. I agree with the submissions of the railway that payment for work performed on any holiday should be on a uniform basis for all non-operating employees. The Code in setting standards for payment for employees in continuous operations conferred a degree of flexibility on the employer in respect to work done on general holidays -- a reasonable provision in my view.

At the same page earlier referred to the railway stated that in its negotiated agreements with all other non-operating unions, it had gone beyond the minimum requirements of the Code and provided for payment at hourly rates for time actually worked with a minimum payment of four hours. As payment for the work on a uniform basis for all non-operating employees is desirable (as stated by the railway), I recommend that the request be rejected except that for the eight holidays referred to in my recommendation regarding demand No. 6, the agreement should contain a clause embodying the provisions of S. 31(b) of the Code, but that it provide for payment at hourly rates with a minimum payment of four hours.

#### 15. Rule re. Bulletins

Prior to 1962 the Rules covering the bulletining of positions provided for the inclusion of "the name of the former incumbent" but in the negotiations in that year that requirement was dropped; it is now requested that it be reinstated on the ground that due to the enlargement of seniority groups it is now difficult for the employees to know the vacant position referred to in a bulletin if the name of the former incumbent is not given.

I accept the statement of the railway that the Brotherhood has constantly pressed for larger seniority groups and that this effort to establish "desk seniority" will, if accepted, burden the company with the need to endlessly bulletin hundreds of jobs each year. It has not been established to my satisfaction that the request for the change is necessary or advisable. I accept the following statement in the railway's submission at p. 297 of Vol. 2 of the transcript:

At literally dozens of locations in Canada the Company employs ten or more employees in the same classification. In Toronto, for example, there are approximately 400 truck drivers. If the position held by the driver with the greatest seniority became vacant it could result in 400 separate bulletins being issued before the final vacancy in a driver's position was filled. Since the Agreement requires that bulletins be issued only twice each month it is apparent that 200 months or almost 17 years could pass before the final vacancy was filled.

I therefore recommend that this request be rejected.

#### 16. Retention of Old Articles and Practices

This request that clauses in existing Agreements or present practices which are more beneficial shall be retained and applied is so vague and uncertain in its implications that I cannot recommend that it be granted. Presumably "more beneficial" means more beneficial to the employees, although it is not so stated. The collective agreement should be clear, definite and complete in itself and not be subject to pre-existing clauses in former Agreements or to present practices which are not only uncertain but totally undefined. The problem of determining whether "a present practice" (perhaps in a limited area) is more beneficial than a specific clause in the Agreement would at times be almost insoluble and would lead to a spate of grievances. Accordingly I recommend that this request be not granted.



## 17. No Material Change

This request is for a rule to provide that any material change of working conditions or alteration of conditions of employment will be subject to negotiations. Essentially this is a request that the recommendations in the Report of Industrial Inquiry Commission on "Canadian National Railways Run-Throughs" by the Honourable Mr. Justice S. Freedman and dated November 17, 1965 should be included in the new Collective Agreement. As this report is still under study by the Government of Canada it would in my view be premature to grant this request at this time.

However, the railway in its submission, while re-affirming its stand that "Management must be free to manage, to make decisions implementing technological or administrative changes so as to maintain an efficient enterprise," stated:

Canadian National also accepts the proposition that the employees must be given reasonable protection against the adverse effects resulting from change and is prepared to work out voluntarily with the Brotherhood an agreement which will provide protection for employees adversely affected by technological change.

Accordingly I recommend that the parties as soon as possible enter into negotiations with the view of reaching an agreement which would provide protection for employees adversely affected by technological changes. It is possible that this can be arranged by an extension of the benefits presently available under the Job Security Program.

## 18. Payday Every Second Thursday

It was intimated at the hearing that the parties were in substantial agreement that the employees should be paid every second Thursday. Accordingly, as requested, I would refer the matter back to the parties to work out the precise terms of the clause to be agreed upon and the date when it is to become effective.

## 19. Term of Agreement

The parties are in agreement that the duration of the Agreement should be for a period of two years from January 1, 1966 to December 31, 1967.

## Casual Help

Casual help is presently defined in Article 1.3 of Agreement 5.1 as:

Those persons engaged:

(a) on a temporary basis to shovel snow, stock and unstock coal, harvest and stock ice or temporary work of a similar nature, or

(b) as may be agreed upon between the General Chairman and the proper officer of the Company.

By (an) Exhibit the railway requests that the definition of "casual help" be changed so as to read: "Those persons employed on an average of 24 hours or less in a week."

I agree with the submission of the railways that the present definition of "casual help" is too restrictive and that it should have the right to hire part-time employees to perform part-time work of an intermittent or occasional nature -- a right now enjoyed by general industry. While the existing definition is too restrictive, I think that the proposed new definition is too broad in that the only limitation is that such employees should not be employed more than an average of 24 hours in a week. This could lead to abuses.

I therefore recommend that the application to amend the definition be referred back to the parties for further discussion and agreement, and that, should agreement thereon be not reached by October 1, 1966 (or such later date as the parties may agree on), the present definition be amended by deleting from subsection (a) thereof the words "of a similar nature" and by substituting therefor the words "required to be done by reason of unusual conditions or emergencies, or abnormal demands for services."

Save as aforesaid, the terms and conditions contained in the former Collective Agreements shall be renewed.  
Dated at Ottawa, Ontario, this 9th day of August 1966.

(Sgd.) J. C. A. Cameron,  
Chairman.

## REPORT OF A. GORDON COOPER

### Introductory

The employees represented before this Board form a part of the non-operating employees of Canadian National Railways and of The Toronto Terminals Railway Company, Northern Alberta Railways Company and The Shawinigan Falls Terminal Railway Company owned jointly by Canadian National and Canadian Pacific Railway Company. The total number of employees involved in the proceedings is 20,485, of whom 20,290 are included in agreements between Canadian National and the Brotherhood. The remaining 195 employees are in the Canadian National portion of employees

included in agreements between the Brotherhood and the jointly owned companies. Of the 20,290 employees, 2,161 are Canadian National road service employees, Sleeping and Dining Car Department, Canadian Lines excluding Newfoundland.

The Railways filed Statement 101 to their submission showing numbers of employees by occupations and divided into three groups. This Statement is as follows:

# STATEMENT 101

## Summary of Company-Brotherhood Agreements Involved in Present Conciliation Board Proceedings

Agreement	Occupations Represented	Location	No. of Employees
GROUP A			
5.1	Clerks and Other Classes	Canadian Lines (excluding Nfld.)	17,042
5.3	Cooks and Cookees, Boarding Car Dept.	Prairie and Mountain Regions	87
5.4	Excavating Machine Operators	Prairie and Mountain Regions	83
5.12	Employees of the Regional Comptroller	Moncton, N. B.	103
5.14	Employees of the Regional Comptroller	Toronto, Ont.	94
5.15	Revenue Accounting Department Employees	Montreal, Que.	468
5.18	Grain Elevator Employees	Saint John, N. B.	2
5.39	Plumbers, Electricians, Carpenters, Helpers, Stores Dept. and Automotive Transport Employees	Northwest Communications System	65
5.42	Office of Manager Merchandise Claims	Montreal, Que.	15
5.43	Wharf Freight Handlers	Saint John, N. B.	36
5.50	Employees of the Regional Comptroller	Winnipeg, Man.	134
Sub-Total			18,129
GROUP B			
5.08	Road Service Employees - Sleeping and Dining Car Dept. Canadian Lines (excl. Nfld.)	Atlantic	365
		St. Lawrence	612
		Great Lakes	451
		Prairie	503
		Mountain	230
Sub-Total			2,161*
GROUP C			
5.32	Baggage, Operating, Maintenance of Way, Building and Mechanical, Central Heating Plant, Washroom and Shoe Shine Parlor Employees	Toronto Terminals Railway Company	165
5.33	Stationary Firemen, Classified Labourers, Unclassified Labourers in the Mechanical Department, Storekeepers, Storemen, etc.	Northern Alberta Railways Company	16
5.37	Women Cleaners	Toronto Terminals Railway Company	10
5.54	Clerks, Stenographers, Diesel Maintainers, Labourers	Shawinigan Falls Terminal Railway	4
Sub-Total			195**
Grand-Total			20,485

\* Included are approximately 360 additional S.D. & P.C. employees required due to reduction from 48- to 40-hour work week.

\*\* In each Joint Company Agreement only CN portion of employees shown.

SOURCE: Company Records.

It has been the practice since 1950 for all organized non-operating railway employees to negotiate the revision and renewal of master agreements through one negotiating committee representing all such employees. This year marks a departure from that practice and the non-operating employees have split into three groups, which may be designated as (1) the residual non-ops (2) the shop-crafts employees and (3) the employees represented before this Board, namely,



members of the Brotherhood. Boards of Conciliation and Investigation were established to deal with the matters in dispute between the railways and the residual non-ops and shop-crafts employees, both under the chairmanship of the Honourable Mr. Justice F. Craig Munroe and in each case three reports dated June 29, 1966 have been filed. The Chairman and the nominee of the railways agreed in their reports as to all matters except wages, whilst the nominee of the unions differed from the Chairman and the nominee of the railway both as to wages and other matters referred to those Boards.

#### The Issues

Mr. J.A. Pelletier, Secretary of the Joint Protective Board, in opening the case for the Brotherhood referred to the fact that when he wrote the Minister of Labour on March 18, 1966 requesting the establishment of a Board of Conciliation he included two lists of areas in dispute but, as a result of further negotiations since that date, the parties had been able to resolve many of the issues and consequently, a revised list of the areas in dispute had been prepared. This list, containing 19 demands by the Brotherhood, reads (the amended statement of demands appears in the Chairman's report, see page 20).

The Canadian National has also filed a proposal relating to casual help, which reads: "Article 1.3 of Agreement 5.1 (Definition of Casual Help) to be amended to read 'Those persons employed on an average of 24 hours or less in a week.' "

The 19 demands of the Brotherhood are the same for all Groups except that Demands 11, 13(a) and 13(b), 14, 15 and 16 are not issues before this Board insofar as Group B is concerned because negotiations concerning Agreement 5.8 covering sleeping, dining and parlor car road service employees have resulted in a new agreement in respect of working rules.

I now propose to deal with each of the 19 demands of the Union.

#### The Wage Demand

It appears obvious that in considering what increases, if any, should be granted to employees, some standard or measure of comparison is highly desirable, if indeed not absolutely essential. Over past years and at least since 1950 in proceedings before Boards of Conciliation and Arbitrators dealing with wage disputes between the railways of Canada and their non-operating employees, such a standard or measure of comparison has been found in the average earnings of employees in the durable goods sector of the manufacturing industry in Canada. This standard has never been automatically or mechanically applied but has furnished a base or point of departure which, after any adjustments that could properly be made thereto for geographical distribution, sex composition and other matters, and after consideration of other relevant factors, could lead to a reasoned determination of the wage issue. It is unnecessary here to enlarge upon these matters as they have been dealt with on many occasions in the past by Boards of Conciliation and particularly by the 1964 Munroe Board.

In the present proceedings the Brotherhood has repudiated the durable goods standard. The following statement appears in their brief:

Our approach to wage determination on this occasion will be seen as a radical departure from the time-honoured mechanism by which the area of non-operating wages has traditionally been determined. For the first time since 1950, a union representing non-operating railway workers is proposing a criterion for settlement other than the comparison with earnings in the durable goods sector of manufacturing industry.

The Brotherhood has sought in place of the durable goods standard to apply a productivity standard. It is stated in the Brotherhood's brief:

We rest our claim for a 90-cent per hour increase in straight-time wages for all employees on the basis of the productivity performance of the railways, and on the belief that labour is entitled to its fair share of the returns resulting from increased productivity.

In attempting to measure the productivity of the railways and measure the productivity attributable to the employees, the Brotherhood has:

1. Adopted 1954 as the base year.

2. Taken the yearly figures for 1954 and up to and including 1965 for Revenue Freight Ton Miles and Revenue Passenger Miles as being the best statistics to reflect the physical output of the railway labour force of the Canadian National.

3. Combined the number of Revenue Freight Ton and Revenue Passenger Miles for the purpose of expressing total revenue mileage and applied the composite term Revenue Traffic Unit thereto, adjusting each unit so as to state the value of the Revenue Passenger Mile at two and one-half times the value of the Revenue Freight Ton Mile on the ground that the revenue accruing from one passenger mile has tended, in the period under study, to exceed revenue from one Freight Ton mile by two and one-half times.

4. Thereafter arrived at an Index of Productivity or measure of production per employee (1954 = 100) for each year. In order to derive this measure the total number of Revenue Traffic Units in a given year is divided by the average number of employees for the same year.

Table 3 to the Brotherhood's brief is entitled "Productivity Performance of the CNR 1954-65" and shows an Index of Productivity for 1965 of 178.3, or an increase of 78.3 per cent over 1954. The Brotherhood then contends that this increase in productivity of 78.3 per cent justifies an increase of 78.3 per cent in wages and this claim forms the central and most important factor supporting the demand for a general wage increase of 90 cents per hour.



It is my opinion that the attempt of the Brotherhood to justify their general wage demand on the basis of the productivity performance of the Canadian National has failed utterly. The principal fallacy in the productivity exercise performed by the Brotherhood is of course the obvious one that no account has been taken of factor inputs to productivity other than labour. It is surely self-evident that not only labour contributes to increased productivity but also the inputs of capital and materials. For example, the growth in capital investment during the period under study made by Canadian National in such projects as dieselization has obviously contributed in large measure to the 78.3-per-cent increase in productivity, and any study that gives no weight to this capital input factor is of no real validity. When labour is taken as the sole input one emerges only with what is called partial productivity of labour. Indeed, this was conceded by Mr. Carew, the Brotherhood's Assistant Director of Research Department, in cross-examination by Dr. Bandeen, the Canadian National's Chief of Development Planning (Vol. 2, page 176 of the Transcript):

Mr. Bandeen: To be more specific, I think that normally when you relate output to one factor of input that is called partial productivity in relationship to the individual factor. The normal procedure in any industry, including the railway, is to have at least three major categories of input, that would be capital, material and labour, and when you relate the total output only to one factor you normally call this partial productivity, I believe.

Mr. Carew: You could call it partial productivity.

The Chairman: Do I understand there is agreement where the term is used on page 14 in the two places, productivity may be taken to mean partial productivity?

Mr. Carew: Well, in practically all instances where productivity is in common usage like this, it is assumed, although it is usually given in terms of labour output, but it is assumed that this output is the total product of combining factors of labour, capital and so on. So in this sense he is quite correct, it is partial productivity.

In addition, the method employed by the Brotherhood to arrive at a measure of productivity has at least three other defects, which may be briefly summarized as follows:

1. In arriving at the productivity measure the division is by the average number of employees for the year rather than by man-hours, tending to distortion in the measure (Transcript Vol. 2, page 177).
2. There is no weighting to show the shift toward higher paying jobs during the period and if this is not done it tends to overstate the measure of productivity (Transcript Vol. 2, pages 178-180).
3. 1954 was a low base year insofar as volume of output was concerned and selection of other years or a combination of years would have given quite a different picture. A low base year for volume can give a wrong effect (Transcript Vol. 2, pages 189-190).

In the result the Brotherhood's study of the productivity performance of the Canadian National affords no assistance whatever in arriving at a rational conclusion as to what wage increases should be recommended by this Board.

The Brotherhood contends also that the wage increase must be net of any wage increment which has served merely to offset the rising cost of living. The year 1954 is again taken as the base year and 19.3 per cent is given as being, on average, the increase in cost of living, according to the Consumer Price Index, in 1965 over 1954. This contention assumes that cost of living increases were not taken into account in the reports and recommendations of previous Boards. This is not correct, as a reading of such reports will reveal. Moreover, this Board is not sitting on appeal from the reports and recommendations of previous Boards. To give effect to this contention of the Brotherhood would be to make a retroactive recommendation as to wage increases. Any increase in the cost of living for the years 1966 and 1967 is a relevant factor here to be considered with the other factors set out in the 1964 Munroe Board report but not any such increases that have occurred in the past.

The Brotherhood further bases its demand for a general wage increase on the "unprecedented economic boom which Canada has enjoyed since 1961, and which gives every indication of continuing" (Transcript Vol. 1, page 66). Whilst it is true that the economy of Canada has experienced, since the first quarter of 1961, a sustained period of growth which is expected to continue throughout 1966 and 1967, potential weaknesses and distortions have appeared, in the opinion of Dr. Neufeld, Professor of Economics at the University of Toronto. He states, as one of his conclusions on the economic outlook:

However, potential weaknesses and distortions have appeared. In 1965 wage increases exceed productivity increases and in a large number of industries the rate of growth of profits declined. Also the economy moved to the full-capacity level, or close to it. The former development has raised the issue of "cost-push" inflation while the latter, the one of possible "demand" inflation. (Transcript Vol. 2, p. 478)

Dr. Neufeld also, in dealing with wage increases and the Canadian economy, drew a conclusion that in the year 1965 there was some evidence that wage increases were exceeding productivity increases and that part of the impact of this trend was borne by the rate of profits per unit of output.

I now turn to consideration of evidence of the railways on the wage issue. The railways have made a comparison of the wage rates of employees represented before this Board with the wage rates of employees in like occupations in outside industry. Group A employees number 18,129 out of a total of 20,485 and 42.5 per cent of that group are clerical workers. Statement 110 to the railways' submission shows selected clerical comparisons between Canadian National rates and rates in outside industry. For this Statement see page 23.

The comparison reveals that for a large number of employees in Group A rates of pay are very appreciably in excess of rates paid in outside industry. This situation is further emphasized by Railways' Statement 109 (see page 23.)

How then can this Board justify any recommendation for an increase of \$7.20 per day (90 cents times 8 hours) in such rates, or indeed any increase at all? The comparison for other occupations in Group A reveals that Canadian National rates compare very favourably with rates in outside industry. Statements 111, 112 and 113 read: (Statement 111--"Comparative Rates for Warehouse Classifications in the Truck Transportation Industry and in Canadian National", Statement 112--"Comparative Rates for Labourers in Outside Industry and in Canadian National", Statement 113--"Comparative Rates for Truck Drivers in Outside Industry and in Canadian National" are included in the Chairman's report, see page 24.)



Another significant factor in arriving at wage recommendations is the cost implications to the railway. This factor relates to ability to pay. It is no answer to assert that the Canadian National is a Government railway and therefore ability to pay should have nothing to do with wage rates. One must accept the proposition that the Canadian National is to be regarded as an enterprise designed to be run as nearly as may be on the same principles as a privately owned enterprise. If this is not accepted, the burden for inordinate wage increases and other expenses falls unjustly on the Canadian taxpayer. It is sufficient to say that certain of the demands before this Board would add more than \$67,000,000 a year to the labour costs of Canadian National. This figure does not include costs arising out of the requests for Work Stabilization, prescription drug and dental care plans and other rule changes that involve substantial expense. The cost of a 1-per-cent increase for the employees represented before this Board, including Sleeping, Dining and Parlor Car employees, is \$1,046,000 and of a 1-cent-an-hour increase including such employees, \$497,000. These costs must be considered not in isolation but in conjunction with the costs of wage increases demanded in the cases of the residual non-ops group and the shop-crafts employees. It must be remembered that the total of all organized non-operating employees of Canadian National is 56,263, of whom 20,485 only are represented before this Board.

The employees in Group B (Sleeping, Dining and Parlor Car) have been treated separately by the Railways. Statement 114 to the Railways' Submission is a comparison of Sleeping, Dining and Parlor Car rates of pay with comparable occupations in leading hotels across Canada and indicates that the S.D. & P.C. rates are well in advance of hotel rates. In negotiations preceding these hearings the Canadian National and the union agreed to a reduction in the work month of employees of the S.D. & P.C. Services from 208 hours (48-hour work week) to 174 hours (40-hour work week) in stages from July 1, 1966 to June 1, 1967. This reduction in working hours with no reduction in take-home pay has resulted in an hourly wage improvement for employees in this Service ranging from 31 cents to 44 cents an hour, at an increased cost to the Canadian National of \$1,692,364 per annum. Paragraph 6 of the Railways' Submission, Part III, shows differentials between hotel employees and S.D. & P.C. employees at the dates shown, as follows:

#### S.D. & P.C. RATE

Classification	Average Hotel Rate	June 30, 1966	July 1, 1966	January 1, 1967	June 1, 1967
Waiter	\$1.145	\$1.665	\$1.804	\$1.903	\$1.991
Cook (Fry Cook)	1.703	1.884	2.041	2.153	2.252
Steward-Waiter (Bartender)	1.746	1.783	1.931	2.038	2.132
Steward (Captain Waiter)	1.502	2.260	2.448	2.582	2.701

NOTE: Comparable hotel occupations shown in brackets.

#### Wage Recommendation

In arriving at what recommendations should be made for a general wage increase for the employees represented before this Board one is faced with the difficulty already referred to that the Brotherhood has repudiated the durable goods standard and has advanced no other valid standard in its place. What then should be done? I have already recommended in my reports as a member of the Boards dealing with the matters in dispute between the railways and the residual non-operating group and the shop-crafts employees a wage increase of 12.5 per cent, representing an average of 28 cents an hour for all non-operating railway employees. In the absence of any evidence before this Board that would justify any departure from the percentage figure of 12.5 and having regard to the evidence contained in Railways' Submission (Transcript Vol. 2, page 338 and following) dealing with the significance of the factors set out in the 1964 Munroe Board, I recommend that the general wage increase for the employees represented before this Board be an average of 12.5 per cent.

I am, however, faced with a further difficulty. In view of the evidence that many of the employees represented before this Board are receiving remuneration much in excess of employees performing the same or very similar duties in outside industry, it would appear desirable that the wage scales of the employees represented before this Board should be adjusted so as to reduce inequities that appear now to exist between certain occupations as against others. This is a detailed task which will require much study and readjustment of scales of remuneration. I recommend that such a study be undertaken without delay and scales of remuneration be adjusted as between different classifications of the employees represented before this Board but always within the limit of an average increase of 12.5 per cent. In any event, increases should be applied as at January 1, 1966, July 1, 1966, January 1, 1967 and July 1, 1967 with each increase on such dates added to the hourly basic rates of pay in force at December 31, 1965 and with daily, weekly and monthly rates increased in an equivalent manner.

I now deal with the other demands of the Brotherhood in turn.

#### WORK STABILIZATION PLAN

It is clear that the Plan proposed would result in a "job freeze". It is in the same terms as the proposal of the unions in the 1966 Munroe Board dealing with disputes between the railways and the residual non-operating employees group and in turn is similar to a demand made before the 1962 Munroe Conciliation Board.

It is, in my opinion, an absolute necessity for the railways to have control over their work force. If such control is taken away the result can only be increased costs, decreased efficiency and enforced employment of persons for whom no productive work is available. The Railways must be given full opportunity to operate efficiently with maximum freedom to make management decisions as to the required level of employment.

However, once a management decision has been taken leading to the elimination of jobs for one reason or another it is conceded that all reasonable steps should be taken to mitigate hardships suffered by the employees whose services will be no longer required. It may well be said in this era of government welfare plans and other forms of assistance that this problem is one primarily for government action and indeed the Government of Canada has recognized its responsibilities in this matter by recently enacting legislation which supplements unemployment insurance benefits and makes available federal government funds to assist in retraining of displaced workers and movement of workers from one place in Canada to another where employment is available. The manpower programs introduced by the Government for the purpose of minimizing the adverse consequences of dislocation are of three basic types: (1) training and retraining programs under the Federal-Provincial Technical and Vocational Trade Agreement, (2) manpower assistance programs under the Manpower Consultative Service established by the Federal Government (3) manpower mobility assistance programs under the Federal Manpower Mobility Regulations and under the Manpower Consultative Service.

Also, the 1962 Munroe Conciliation Board recommended the institution of a Job Security Program involving the establishment of a fund by each railway company in an amount of 1 cent per hour worked (or paid for) by all its employees covered by the collective Agreements on and after January 1, 1963. As a consequence, Job Security Funds were established by an Agreement dated November 16, 1964 and the Plan became effective on January 16, 1966. Briefly, the Plan provides for severance pay or weekly payments to supplement unemployment insurance benefits. There is at present over \$6,500,000 in the Funds. As pointed out by Mr. Justice Munroe in his report of the 1966 Board dealing with the residual non-operating group, "The means to protect long-service employees, therefore, exists within the context of the existing Job Security Agreement" and I agree with his recommendation therein contained that the Joint Committee established to administer the Job Security Funds should immediately undertake a study of the existing government programs referred to above and, in the light of such review, examine the need for expansion of the purposes for which payments may be made out of the Job Security Funds and the need for any necessary increase in the scale of payments.

#### SICK LEAVE

The third demand of the Brotherhood is: "An employee shall be allowed twelve (12) days' sick leave per year with pay, accumulative to a maximum of two hundred (200) days." Similar demands have been made in the past before Boards of Conciliation and Arbitration resulting in the establishment of a contributory welfare plan which came into effect on January 1, 1957. Benefits under that Plan have been increased since its establishment. The institution of the sick leave provision requested would be contrary to the principles of the Benefit Plan affording indemnity or protection against loss of wages due to sickness or accident. It would represent a direct increase in wage costs that on an annual basis would amount to \$5,907,000 for Canadian National, the equivalent to a wage increase of nearly 6 per cent or some 12 cents an hour. I am satisfied that no sufficient evidence has been presented that would justify the granting of this request and I recommend that it be not granted.

#### VACATIONS WITH PAY

The request for an improved scale of annual vacations was considered by the 1966 Munroe Boards dealing with the residual non-operating group of employees and the shop-crafts employees and the recommendation there made was that annual vacations with pay be granted as follows:

2 weeks after one year of service, as heretofore

3 weeks after 12 years of service, instead of after 15 years as heretofore.

I have considered the evidence in these proceedings carefully with respect to annual vacations and in my opinion no case has been made out that would cause me to depart from the recommendation with respect to the other non-operating employees of the Railways and I therefore consider that there should be applied to the employees represented before this Board the recommendation of the 1966 Munroe Boards quoted above.

#### SHIFT DIFFERENTIAL

The evidence before this Board is that shift differentials have no place in the railway industry. The railways are, under the provisions of the Railway Act, under a statutory obligation to receive, carry and deliver traffic without delay, imposing upon them the necessity of operating on a 24-hour basis. This has always been recognized and differentiates the railways from other industries where continuous operation is a management decision.

The matter of shift differentials has been dealt with by a number of Boards of Conciliation and has never been recommended. It was stated by the Board established in 1962 under the Chairmanship of Judge J. B. Robinson:

There is not now in effect, nor, since 1959 has there been in effect, any provision for night or any non-shift differentials for yard service employees, or road service employees or any other railroad employees on any major railroad either in the United States or Canada.

I recommend that there be no change in the present practice.

#### ADDITIONAL GENERAL HOLIDAY

The Brotherhood is requesting an additional general holiday, namely, St. Jean Baptiste Day, and outside the Province of Quebec, St. Jean-Baptiste Day to be substituted by another appropriate day as agreed between Canadian National and the Brotherhood. Prior to the enactment of the Canada Labour (Standards) Code effective July 1, 1965, the



number of general holidays was seven. The Code required the railways to grant an eighth general holiday at an estimated annual cost of \$493,000 for the employees represented before this Board. I consider that the number of general holidays should not be increased from the present eight and therefore reject this demand.

#### EMPLOYEE BENEFIT PLAN

The Brotherhood proposes that the railways shall bear the full cost of the non-operating employee benefit plan with improved benefits to provide a basic weekly indemnity of \$50 or 75 per cent of the weekly earnings whichever is greater, prescription drug plan, dental care plan and basic life insurance of \$2,500 for each employee during his working life and life insurance of \$1,500 to be continued after retirement at no additional cost.

The present plan is one that is contributed to in equal shares by employees and the railways. The basic weekly indemnity is 75 per cent of regular weekly base pay up to a maximum of \$50. Under the Brotherhood's demand, \$50 per week would become the minimum an employee could receive and increased payments over and above that amount, depending upon the employee's earnings, would no longer be related to base pay but would be calculated on the basis of 75 per cent of weekly earnings. The present insurance benefit is \$500 life insurance paid for directly from the contributions of both parties and \$1,000 supplementary insurance, payment for which comes from a Special Fund established out of moneys accumulated because the amount paid out in claims and administrative expenses during the years 1958 and 1959 had been less than the contributions paid by non-operating employees of the railways. There is at present no prescription drug plan or dental care plan.

This same proposal was made by the unions before the 1966 Munroe Boards and, in my opinion, the recommendations contained in the report of the Chairman of those Boards should apply also to the employees represented before this Board, as follows:

1. Effective January 1, 1967, the plan shall be revised to provide Two Thousand Dollars (\$2,000.00) of life insurance for each participating employee instead of Fifteen Hundred Dollars (\$1,500.00) as heretofore and to provide Weekly Indemnity payments of \$50.00 as heretofore, the cost thereof to be shared equally by the railways and the employees, provided that the present arrangement whereby the cost of \$1,000.00 of life insurance and \$10.00 of the weekly indemnity shall continue to be borne by the Special Fund under the plan, until exhausted.

2. The request of the Brotherhood for the institution of a prescription drug plan and a dental care plan shall be deferred for further consideration after the institution of the Federal Government Medical Care Plan scheduled to become effective on July 1, 1967.

#### CROSSING PICKET LINES

The demand that no employee shall be required to cross a picket line recognized by the Brotherhood is not recommended.

#### BEREAVEMENT LEAVE

There is at present no provision for bereavement leave with respect to the non-operating employees of the railways. I recommend that employees having one year or more of service shall be entitled once in each calendar year to three days bereavement leave without loss of pay when the employee's spouse, child or parent dies.

#### CONTRACTING-OUT

There was no evidence of any specific difficulty in connection with contracting-out put before the Board. The decision as to whether or not work can be more efficiently done at lower cost is one for management to exercise and to inhibit management in this area of its responsibility is not justified and particularly so when, as I have stated, no specific instances pointing to an abuse in this area were put in evidence.

#### SENIORITY

This demand relates to the employees of the Revenue Accounting Department at Montreal, who are covered by Agreement 5.15 between the Brotherhood and Canadian National. It is significant to note that seniority matters involving other collective agreements between the Brotherhood and Canadian National were resolved during negotiations. The Brotherhood is demanding one seniority group for all clerical positions and a second seniority group for machine operators under Agreement 5.15.

The Canadian National states in its submission that it is not opposed to one seniority group for all clerical positions under Agreement 5.15 provided the Brotherhood is prepared to negotiate changes in the seniority rules that would prevent situations where seniority rights may be exercised accomplishing no other result than the movement from one desk to another and thereby impairing efficiency. I recommend that this issue be left to further negotiation between the parties.

#### NON-SCHEDULED EMPLOYEES PERFORMING SCHEDULED WORK

The Brotherhood states, in dealing with this demand, that numerous complaints are constantly being received from all locations that members of the supervisory staff are being used to perform scheduled work. However, no specific

examples whatever are given and this problem would not appear to be of a serious nature. On the other hand, the granting of the demand might create difficulties which either do not now exist or should be resolved by co-operation between the Brotherhood and the railways in particular situations. This proposal is therefore not recommended.

#### MEAL PERIOD PROVISIONS

There are four aspects to this demand, namely:

1. Reduction of the regular meal period from one hour and thirty minutes to one hour;
2. punitive overtime at time and one-half for work performed during the meal period;
3. elimination of meal periods for employees working away from home terminals (except for 20 minutes at company cost);
4. the 20-minute meal period at company cost allowed to employees between the hours of 10.00 p. m. and 6.00 a. m. and those working away from home terminals to be assigned between the end of the fourth hour and the beginning of the seventh hour of work.

The meal period rule was revised in bargaining between the parties as recently as 1961-62 and during the closed period of Agreement 5.1. Changes then made in the rule were as a result of operational needs to accommodate new services such as Express-Freight. This need continues to exist and no evidence has been presented leading to a conclusion that employees are placed at a disadvantage because of the 1962 revision of the rule. I therefore reject this demand.

#### PAY FOR STATUTORY HOLIDAY WORK

This demand is that an employee required to perform work on statutory holidays shall be paid extra at one and one-half times his hourly rate for time actually worked within the limits of his regular work day assignment, with a minimum of eight hours.

This demand is related to the Canada Labour (Standards) Code, which provides by section 31:

An employee employed in a continuous operation who is required to work on a day on which he is entitled under this Part to a holiday with pay

(a) shall be paid, in addition to his regular rate of wages for that day, at a rate at least equal to one and one-half times his regular rate of wages for the time worked by him on that day; or

(b) shall be given a holiday and pay in accordance with section 29 at some other time, which may be by way of addition to his annual vacation or granted as a holiday with pay at a time convenient to him and the employer."

(Underlining added).

It will readily be appreciated that under subsection (a) of section 31 an employee is paid at time and one-half in addition to his regular wages for the day or, under subsection (b), he is granted a paid holiday at some other time.

Since 1964 Canadian National and Canadian Pacific, together with other Canadian railways, have signed agreements with all major non-operating unions except the Brotherhood respecting the method of payment for holiday work as provided in the Code. These agreements comprehend the provisions of section 31(b) and there is no minimum guarantee of eight hours. The Canadian National has been unsuccessful in its efforts to reach agreement with the Brotherhood and contends that payment for work performed on general holidays must be on a uniform basis for all non-operating employees. This contention would appear to be entirely reasonable and, moreover, the company should be entitled to the flexibility provided by section 31(b) of the Code to grant alternative time off with pay to employees who are required to work on general holidays. I therefore recommend that the parties adopt the agreement now in effect between the railways and the residual non-operating and shop-crafts groups.

#### RULE RE. BULLETINS

The Brotherhood is demanding that the name of the former incumbent of a position should be included in a job bulletin. In negotiations carried on in 1962 it was agreed that the prior rule concerning the bulletining of positions requiring the inclusion of the name of the former incumbent be deleted from the collective Agreement 5.1. The evidence presented and argument on this point has not satisfied me that the practice which was in effect prior to 1962 should now be restored. I reject this demand.

#### RETENTION OF OLD ARTICLES AND PRACTICES

This demand is "clauses in existing agreements or present practices which are more beneficial shall be retained and applied."

It is very difficult for me to understand exactly what is meant by this demand. It appears to contemplate the retention of articles in old agreements which have been superseded by new articles and that practices not presently contained in any agreements should be continued and applied to all employees represented before this Board. In my view a collective agreement should stand by itself and not have incorporated therein by reference matters of practice and other clauses contained in some other agreement. This demand would merely lead to confusion and uncertainty and I reject it.



## MATERIAL CHANGE

The Brotherhood is demanding that any material change in working conditions or alteration of conditions of employment will be subject to negotiations. This demand is closely related to the Work Stabilization Plan proposed by the Brotherhood. It is one that would be a serious fetter on management's right to manage and take such steps as are necessary to obtain the advantage of new technologies and other methods of achieving economy and efficiency in the operation of the railways and I cannot subscribe to any such rule.

The words "any material change in working conditions or alterations of conditions of employment" are so wide that almost any action taken by management to change the work force or relocate employees or introduce new methods of work would require consent of the Brotherhood. This in effect is an abrogation of the responsibilities and duties of management.

In fact, the railways have recognized a responsibility when initiating changes in working conditions or technological improvements resulting in changes or relocation in the work force. In practice notice of such changes is given well in advance of the initiation of such measures and discussions are entered into with unions and with government agencies to cushion their impact. Examples are given in the Railways' evidence (Volume 2 of the Transcript commencing at page 407) of programs that have been initiated to mitigate the effects of material changes with respect to the work force. These programs include meetings between the union involved in any particular case and management, meetings with employees, consultation with federal and provincial government authorities, co-operation with municipal authorities, establishment of a counselling service for employees and payment of certain moving expenses and other allowances. It will thus be seen that the railways recognize a responsibility to their work force when dislocations are anticipated. With this responsibility, however, must go the right to make such decisions as will result in increased efficiency and economy of operation.

The Brotherhood relates this demand to the Report of Industrial Inquiry Commission on Canadian National Railways "Run-Throughs" (the Freedman Report). This report was referred to before the 1966 Munroe Boards and I adopt what appears in the report of the Honourable Mr. Justice Munroe, namely:

The request of the Unions that the recommendations contained in the report of the Industrial Inquiry Commission presided over by the Honourable Mr. Justice Samuel Freedman should be included in the new collective agreements has been considered by me. That report is now under study by the Government of Canada. There is nothing in the evidence before the Board to indicate that the Railways Companies are contemplating major changes that will materially affect the job security of the employees represented before this Board. In those circumstances and pending completion of such study, it would, I think, be premature to accede at this time to the request of the Unions. However, I would expect that good sense will prompt the Railway Companies not to introduce such changes without first engaging in meaningful discussions with the Unions and employees concerned.

In the result, therefore, I reject this demand of the Brotherhood.

## PAYDAY EVERY SECOND THURSDAY

This matter is being worked out by negotiations between the Brotherhood and the railways and it is recommended that discussions between the parties, which I understand have commenced, be continued to solve any difficulties there may be to the end that employees may be paid every second week instead of semimonthly as at present.

## TERM OF AGREEMENT

The new Agreement shall be for a two-year period ending on December 31, 1967.

## CASUAL HELP

The Railways put a proposal before the Board dealing with casual help, which is presently defined in Article 1.3 of Agreement 5.1 as:

Those persons engaged:

(a) on a temporary basis to shovel snow, stock and unstock coal, harvest and stock ice or temporary work of a similar nature, or

(b) as may be agreed upon between the General Chairman and the proper officer of the Company.

The contention of the railways is that this definition is very restrictive and that unless prior concurrence is obtained from the General Chairman, Canadian National is prevented from employing casual help or part-time workers to perform any work not similar in nature to that specified in Clause (a) of the definition. The railways therefore propose that Article 1.3 be amended to read: "Those persons employed on an average of 24 hours or less in a week."

I agree that the present definition is unduly restrictive considering the general need of Canadian National for casual help to augment its regular staff during periods of heavy traffic density and to perform work of an occasional or intermittent nature and of part-time employees to perform part-time work.

However, the proposal as presented may lead to employment of persons on a more or less permanent basis, the only requirement being that they be not employed more than an average of 24 hours in a week. It is therefore recommended that this matter be further discussed between the Brotherhood and the railways and, failing agreement by October 1, 1966, it is recommended that Article 1.3 of Agreement 5.1 be amended to read: "Those persons engaged on a temporary basis to shovel snow, stock and unstock coal, harvest and stock ice or temporary work required to be done

by reason of unusual conditions or emergencies or abnormal demand for services."

Dated at the City of Halifax in the Province of Nova Scotia this 8th day of August 1966.

Respectfully submitted.

(Sgd.) A. Gordon Cooper,  
Member.

#### REPORT OF E.P. O'NEAL

Honourable J.R. Nicholson,  
Minister of Labour.

Dear Sir:

Pursuant to Section 28 (2) of the Industrial Relations and Disputes Investigation Act you appointed me upon the nomination of the union as a member of Conciliation and Investigation in the above-mentioned matter. Having read the submissions and listened to the oral arguments and evidence presented by both parties to the dispute, and after several discussions with the other members of the Board, I recommend the following terms as a basis for settlement.

#### WAGES

The union, in my opinion, has made a strong case for its demand for a wage increase of 90 cents an hour over a two-year agreement. The rapidly rising cost of living, the failure of wages in the railway industry to rise correspondingly with productivity during the past ten years, and the pattern of substantial wage gains achieved recently by workers in other industries add up to a compelling argument to justify the 90-cent demand.

There can be no doubt that non-operating railway workers, once among the best paid workers in Canada, have lagged badly behind the wage increases won by other workers in recent years. They are now among the lowest income groups in organized labour.

It is interesting to note that the wage increases won in June of this year by the St. Lawrence Seaway employees (also members of the CBRT & GW) and by the West Coast loggers (members of the International Woodworkers of America, bring the base rate for labourers in both groups up to \$2.77. The CBRT's 90-cent demand for its railway members, if granted in full, would elevate the base rate for labourers employed by the CNR to exactly the same figure \$2.77.

Nevertheless, in spite of these arguments and in the interests of achieving a settlement, I recommend that the union be granted a wage increase of 40 cents an hour retroactive to January 1, 1966, and that a further increase of 12 per cent on the wages prevailing on December 31, 1966, go into effect on January 1, 1967.

#### JOB STABILIZATION

The union's demand for a job stabilization program is based on a similar arrangement already in effect on many railways in the United States. It seems to be a very reasonable demand, considering the growing trend toward job security provisions in contracts covering workers in industry. I therefore recommend that the job stabilization program as outlined in the union's demand be implemented.

#### SICK LEAVE

Canadian National Railways is the only Crown Corporation which does not grant its employees any sick leave. This is a fringe benefit that has now become standard in working agreements in Canada. I therefore recommend that CNR employees represented by the CBRT & GW be granted one day of sick leave a month, for an annual total of 12 days, and that the same shall apply to CBRT & GW members employed wholly or jointly by other railways.

#### VACATIONS

I recommend that vacations with pay shall be on the following basis:

Three weeks vacation after 5 years of service

Four weeks vacation after 15 years of service

Five weeks vacation after 20 years of service.

#### SHIFT DIFFERENTIAL

The principle of differentials for work performed in shifts other than the 8-to-4 daytime period is now firmly established in this country, and I see no reason why the railways should be excepted. However, I consider the union's demand for a 15-cent shift differential to be too high. I recommend that a shift differential of 5 cents an hour be paid



for work performed outside the hours of 8 a.m. and 4 p.m.

#### EXTRA STATUTORY HOLIDAY

The union's demand for one additional statutory holiday (making a total of nine) seems reasonable, and I recommend that it be granted.

#### EMPLOYEE BENEFIT PLAN

Since it now appears certain that railway employees, along with all other Canadians, will benefit from the introduction of a national Medical Care Insurance Program next year, I do not endorse the union's demands for improvements in the existing Employee Benefit Plan. However, I do recommend that the full cost of the existing plan be borne by the railways, since this is becoming an accepted pattern in other labour contracts (including the latest agreement between the CBRT & GW and the St. Lawrence Seaway Authority).

#### PICKET LINES

I recommend that the employees involved in these negotiations be allowed to honour the picket lines of other unions, without being subject to dismissal or other disciplinary action by the railway companies. Crossing picket lines, even if it does not expose them to danger, will invite the contempt of their fellow trade unionists. This provision is also becoming more common in labour agreements, and was one of the concessions granted to the St. Lawrence Seaway workers recently.

#### BEREAVEMENT LEAVE

No recommendation. This is an issue that, I am sure, the union and the companies will be able to negotiate once settlement is reached on the other items in dispute.

#### CONTRACTING-OUT

This is a subject that I think can be satisfactorily covered by the insertion of a clause based on the Freedman Report. This clause would provide that any material change of working conditions or alteration of conditions of employment proposed by railway management shall be subject to negotiations, and that the working agreement would be re-opened for that purpose. I recommend the insertion of such a clause in the new agreement.

#### SENIORITY GROUPS - Agreement 5.15

There is no excuse, in my opinion, for having eight seniority groups in such a small work force (approximately 600 employees). I recommend that they be reduced to two seniority groups, one covering clerks, the other covering machine operators.

#### MEAL PERIODS

I recommend that employees be allowed a regular meal period of no longer than one hour, unless otherwise arranged locally by mutual agreement between company and union representatives.

#### WORKING ON HOLIDAYS

The principle of paying time and a half for work performed on statutory holidays is well established, and I see no reason why the railways should be exempted. I recommend that employees obliged to work on the statutory holidays enumerated in the agreement shall be paid at one and one half times the hourly rate for time actually worked on such a holiday, with a minimum of six hours.

#### EXISTING CLAUSES

I recommend that a clause be inserted in the new agreement providing that, where existing practices and work rules covering any group of employees is superior to any of the new and generally applicable revisions, the more favourable conditions shall prevail.

#### PAY DAYS

I recommend that all employees be paid every second Thursday.

#### DURATION OF AGREEMENT

I recommend that the duration of the new agreement shall be two years, from January 1, 1966 to December 31, 1967.

## OTHER DEMANDS

I recommend that all other issues in dispute be left to the parties to negotiate, following settlement of the other issues listed above.

Save as aforesaid, the terms and conditions contained in the former collective agreement should be renewed.  
Dated at the City of Vancouver in the Province of British Columbia this 18th day of July 1966.

Respectfully submitted,

(Sgd.) E. P. O'Neal,  
Member.

### Report of Board of Conciliation and Investigation established to deal with dispute between

Canadian Pacific Railway Company  
and  
Brotherhood of Railroad Trainmen

The Board of Conciliation and Investigation established to deal with a dispute between the Canadian Pacific Railway Company and the Brotherhood of Railroad Trainmen was under the chairmanship of His Honour Judge Walter Little, Parry Sound, Ont. He was appointed by the Minister of Labour on the joint recommendation of the other two members of the Board, R. V. Hicks, Q.C., Toronto, Ont., and Douglas M. Fisher, Ottawa, Ont., who were previously appointed on the nomination of the company and union, respectively. The unanimous report of the Board was received by the Minister in August.

Honourable J. R. Nicholson,  
Minister of Labour.

Pursuant to the provisions of Section 28(4) of the above Act, you appointed me upon the joint nomination of the other two members as a member and Chairman of a Conciliation Board to endeavour to effect an agreement between the above-mentioned parties respecting the terms of a collective agreement governing conditions of employment on and after January 1, 1966, the former agreement having expired on December 31, 1965.

The nominee of the Railway was Mr. R. V. Hicks, Q.C., of Toronto, Ont., and the nominee of the Union was Mr. Douglas M. Fisher, Ottawa, Ont.

The Board met in executive session, to make arrangements for the hearings and to discuss the issues generally, on June 30, 1966 in Toronto.

The Board met the parties in Montreal on July 11, 12, 13, 14, 15, 18 and 19 when lengthy briefs and arguments were submitted. It was evident that little real bargaining had taken place between the parties prior to the hearings, chiefly because of the implications contained in the report of the Honourable Mr. Justice Samuel Freedman on the Canadian National Railways "Run-Throughs". As will be subsequently explained, the Board was unable to resolve this issue and so no bargaining on the other issues took place during or subsequent to the said submission of briefs and argument.

The Board subsequently met again in Toronto on July 28 and August 5 to discuss the various issues prior to preparing its Report.

## UNION DEMANDS

The union demands were as follows:

1. (a) All wage rates, however established, applicable to miles, hours, overtime, arbitraries and special allowances, be increased fifteen per cent (15%), effective January 1, 1966 (Road service employees).

(b) All wage rates, however established, applicable to miles, hours, overtime, arbitraries and special allowances, be increased ninety cents (90¢) an hour effective January 1, 1966 (Yard Service employees and LCL Freight Handlers).

(c) Revision of Pay Rules of collective agreements to provide minimum day's pay as follows:

(i) Freight Service. In all road freight service one hundred (100) miles or less, six (6) hours or less shall constitute a day's work. Overtime after six (6) hours to be paid at time and one-half, i.e., twenty-five (25) miles per hour.

(ii) Passenger Service. In all passenger service, including short turnaround and suburban service, one hundred and fifty (150) miles or less, six (6) hours or less shall constitute a day's work. Overtime after six (6) hours to be paid at time and one-half, i.e., thirty-seven and one-half (37½) miles per hour.



2. Annual Vacation Rule to be amended to provide:
  - two weeks after 1 year
  - three weeks after 10 years
  - four weeks after 20 years
  - five weeks after 30 years.
3. Statutory holiday be amended to provide:
  - (a) that any employee required to work on a statutory or general holiday shall be paid, in addition to his regular rate of wages for that day, at a rate of one and one-half times his regular rate of wages for the time worked by him on that day.
  - (b) qualifying provisions be relaxed to provide that employees completing ten shifts or trips in the thirty days before the holiday will qualify.
4. Cumulative sick pay be granted employees on basis of one (1) day per month up to a maximum of 200 days.
5. Health and Welfare -- Weekly indemnity benefits be increased to seventy-five dollars (\$75.00) per week and life insurance to be increased to five thousand dollars (\$5,000.00), with company to assume 100 per cent of premium costs.
6. Check-off of union dues.
7. Rest rule to be amended to provide for booking rest after 10 hours on duty.
8. Employees to be paid for attending rule classes, medical examinations, safety classes, etc.
9. Pay cheques to be issued every second Thursday.
10. Rule to provide that any material change in working conditions or alteration of conditions of employment will be subject to negotiations.
11. Provisions of Held Away From Home Terminal rule to apply to assigned as well as unassigned service (Road service employees).
12. Employees to be compensated for expenses while away from home.
13. Interchangeable seniority rights between yard and road service employees with protection of prior rights in their respective classes (Proposal by yard service employees).
14. Employees to be paid shift differentials as follows (Proposal by yard service employees):
  - Afternoon shifts -- 10 cents an hour
  - Night shifts -- 15 cents an hour.
15. Establish a crew consist on self-propelled equipment performing any switching or handling of cars. Clarification of said proposal as follows:
  - (a) When self-propelled equipment is moved on a main track under its own power the crew shall consist of a conductor.
  - (b) When in work service, the crew shall consist of not less than one conductor and one brakeman.
  - (c) When used to move cars or switch cars from one track to another, the crew shall consist of a conductor and two brakemen.
  - (d) Clauses (b) and (c) to apply to yardman when self-propelled equipment used within terminal switching limits.
16. Revise graduated rates based on number of cars handled in freight service as follows:
  - 81-100 cars -- 40 cents per hundred miles.
  - Add 40 cents for each additional block of 20 cars or portion thereof. (Freight service employees).
17. Rule to define dispatching of work to Yard Foremen as strictly under the scope of the Yardmaster's Collective Agreement (Applicable to Yardmasters' Agreement).
18. Provide when trainmen are ordered to deadhead when on "held away from home" penalty time that penalty time shall continue until the train on which to deadhead actually leaves the terminal.
19. In the event the Canadian Pacific Railway Company is acquired by any other railway, corporation or company or enters into agreement with any other railway for co-operative measures, plans or arrangements for the operation of passenger trains on Canadian Pacific Railway lines, preference for work in train service will be preserved for Canadian Pacific Trainmen on their respective seniority districts. ~

## RAILWAY PROPOSALS

The railway made the following proposals:

1. Two-Man Yard Crews. The company shall have the unrestricted right to determine when and if helpers shall be used in each crew employed in yard or transfer service, and if used, the number of helpers who will be used.
2. Pool Cabooses
  - (a) Delete the first paragraph, Article 30, Clause (b), and all references to regular caboose, Prairie and Pacific Regions Collective Agreement and establish a rule to provide that the company shall, at its discretion, have the right to pool cabooses in all classes of freight service.
  - (b) Establish conditions relative to the pooling of cabooses in all classes of freight service on Atlantic and Eastern Regions.
3. Doubleheading. Delete Article 45, Prairie and Pacific Regions' Agreement. Proposal based on submission that Article now redundant because diesels have replaced steam locomotives.
4. Company's Proposals VII and II. Proposal based on submission that "dual basis of pay" should be replaced by a new wage structure. It was suggested it would have the following effects:
  - (a) Elimination of the speed basis of overtime and the recognition of the eight-hour day as a measure of a

standard day's work along with the introduction of penalty overtime after eight hours at a rate equal to one and one-half times the straight time rate will significantly reduce the disparities inherent in the existing wage structure.

(b) Inequities created by arbitrary payments and special allowances will be eliminated.

(c) It will drastically reduce the number of disputes arising from interpretation of pay rules;

(d) It will facilitate the adaptation of working conditions of road service employees to the requirements of the Canada Labour (Standards) Code.

(e) It will simplify the wage structure to the extent that the uninitiated will understand it.

(f) It will produce the same total compensation as is derived from the existing wage structure.

## RECOMMENDATIONS AND COMMENTS

In making our recommendations and comments we will not necessarily deal with issues either in the order as set forth above, or even separately. Despite the multiplicity of issues listed (and there were still many minor ones with which we cannot hope to deal) it was clear that they can be categorized into the following general areas:

1. The proposal of the union arising out of the Report of Mr. Justice Freedman.
2. A general wage increase.
3. Revisions to Rules and Arbitrations.
4. Railway proposals.

### 1. The Implementation of Freedman Report

It was the unanimous view of the members of the Board at the conclusion of the formal presentation that if mediation was to resolve the dispute it would be necessary to secure agreement on the manner in which the proposals of Mr. Justice Freedman were to be implemented. In its arguments the union had adopted the said Report in its entirety, whereas the Company had accepted it in principle, but varied from it and the union in the manner in which finality should be achieved in its implementation.

Our discussions with the parties satisfied us that the three basic principles with which we had to deal were:

1. The railway's right to determine and effect technological innovations, both major and minor, where the rights of employees might be adversely affected, on due notice to the union.
2. The negotiation between the union and the railway of the protective conditions to apply to each and every employee affected in each case.
3. The modus operandi of resolving such protective conditions in the absence of mutual agreement.

We are pleased to report that there was basic agreement between the parties on Items 1 and 2 above, but we were unable to reconcile their differences concerning Item 3. If the negotiations contemplated under Item 2 proved to be unsuccessful, the union wished to retain the right to strike to enforce its position, although maintaining it would seldom, if ever, be resorted to on such an issue. On the other hand, the railway was prepared to accept final and binding impartial determination as to the conditions that should apply to affected employees.

The members of the Board have discussed this entire issue at length. We all recognize that we are not dealing with a single isolated industrial dispute, but with a national enterprise whose services are essential to the welfare of the nation. In addition, it is pertinent that technological changes would undoubtedly involve employees represented by unions, other than this union, having collective agreements with the railway. Under these circumstances, the company nominee took the position that the strike sanction, or threat thereof is unrealistic and that the national economy would be subject to perpetual dislocation and changes essential to the competitive preservation of the railway could be effectively thwarted by its use or threat thereof.

The union nominee did not share these apprehensions and in general was in agreement with the union's contention contained in its proposal that "any material change of working conditions or alteration of conditions of employment will be subject to negotiations." He accepted the assurances of the union that, although it would technically have the right to strike on such issues, from a practical consideration such right would seldom, if ever, be used.

Finally, the Board was aware that the Freedman Report is now under study by the Department of Labour. It was also apparent to us that the union does not expect this issue to be resolved by the normal processes of collective bargaining including conciliation. Its representatives made it quite clear its conviction that the only solution was by way of legislation.

The railway feels it must take, and maintain a firm stand against the use of the strike weapon in such circumstances. It has, however, expressed its readiness to give due notice to the union of any technological innovation it has decided upon and to negotiate the protective conditions to apply to employees adversely affected thereby. It was the railway's position that if such negotiations failed, the said protective conditions should be determined by an impartial tribunal.

We believe that the differing viewpoints will not be resolved by negotiation. The only alternative therefore is legislation. It is therefore the Board's conclusion that no useful purpose would be served by a specific recommendation from it. We trust, however, that when the ultimate decision is made in this regard, those making it will bear in mind the broad implications which it will undoubtedly have for many industries and communities, and will accordingly look beyond the interests of the parties hereto and the mere settlement of one industrial dispute.



## 2. and 3. General Wage Increase and Revisions to Rules and Arbitraries

It is necessary to examine these matters together because of the implications concerning increased employee earnings and, correspondingly, increased employer cost inherent in the proposals. In essence, the union seeks a general wage increase. In addition it seeks a revision of pay rules whereby a minimum day's pay and overtime would be calculated as outlined in its proposal 1(c). It also seeks changes in several of the rules that would result in further increased hourly earnings to the employees. The railway proposed a complete restructuring of its method of pay.

It will be apparent that, since the rules represent part of the basis of determining employees' earnings, any wage increase has to be associated with any revision of the rules in order that the total benefits to the employees and total cost to the railway may be properly evaluated. Because of the complexity of the conditions governing rules and especially those which have become known as "arbitraries", because of the complete lack of bargaining on these issues either prior to the Board hearings or during our deliberations with the parties, and because of the limited time available to us for study and discussion of this complex subject, we are unanimously of the opinion that we cannot make a specific logical recommendation as to the amount of a general wage increase. It is our view, however, that because of the complexity of the problem, because of the comments we will make on the proposed restructuring of the method of pay, because the eight-hour day is now general industrial practice and because of the high employment rate and scarcity of skilled help in our economy today, the said proposal 1(c) of the union cannot be recommended at this time.

## 4. The Railway Proposals -- Wage Structure

It would in our view be almost impossible to understate the complexity of the present methods of determining employee earnings, based as they are on a combination of hours and mileage together with rules and extra earnings under certain conditions. Many examples of the anomalies that exist or might occur, based on either actual or hypothetical situations, were presented to us. It seemed obvious to us, on the superficial examination and consideration of the material that we have been able to give, that the present structure cannot be rationalized. It further seems that it is outmoded both in relation to the standards contemplated by the Canada Labour (Standards) Code and the increased speeds of trains. (Limitations on working time, for example, are expressed in terms of mileage without relation to hours whereas the restrictions imposed by the Code are expressed in hours.) It is a system that has grown more complex with the passage of time, but which will undoubtedly be more difficult to correct the longer its revision is delayed. It is obvious that with so drastic a proposal, any changes that might in time be negotiated could not possibly become effective for the period of the contract now under negotiation. We reach this conclusion not only from the complexity of the problem itself, but from the more practical consideration that, although the total cost to the railway would be at least that at present, the general effect would likely mean greater benefits to those employees who claim their pay on an hourly basis. (The vast majority of the members of this union are in road service).

It must be obvious that the Board has neither the time nor the resources to evaluate adequately the railway's proposals. It would appear, however, that a more simplified and rational wage system should be developed to serve more adequately both the interests of the employees and the railway. The ideal solution would be if the parties themselves could negotiate any necessary changes on their own accord. We realize that this has substantial difficulties for the union at the present time because of the varying interests of its members. We accordingly recommend that the parties in conjunction with the Minister of Labour agree on the appointment of an impartial party qualified in the matter of wage determination to examine into and make recommendations upon a more rational wage pay system.

## 5. General Recommendations on Wages

In view of our inability to make a specific logical wage increase recommendation, we should state that both the railway and the Board recognize that a wage increase is necessary and its amount will have to be determined before a new contract becomes operative. We have examined the recommendations made by the three Board members relating to the non-operating employees of the railway but have been unable to relate any of them to the specific problem before us. We have examined the relationship of previous settlements made on behalf of the non-operating and operating employees and could discern no pattern that might have assisted us here. We realize that, because of the intensive bargaining which preceded the reports in the case of the non-operating employees, each of the three will undoubtedly be used in the discussions that will later take place between the union and the railway. We notice from public announcements that all the unions are now meeting jointly to determine the procedure they will follow in unison when all reports, including this one, are completed. It is therefore our conclusion that the parties will be better able to negotiate a settlement of their wage differences at the time of the general negotiations that will take place, if we make no specific recommendation, rather than merely suggest a figure without a logical explanation of how it was reached.

## 6. Vacations

The only change recommended is to grant three weeks vacation after 12 years service.

## 7. Statutory Holidays

When the Canada Labour (Standards) Code became effective on July 1, 1965 employees in industries under

exclusive federal government jurisdiction were granted eight (8) general holidays with pay a year. Prior to the said enactment, road service employees received no holidays with pay, while yard service employees had seven (7) paid holidays. Since July 1, 1965, all have had eight (8).

In view of the above we do not recommend any further change.

#### 8. Cumulative Sick Pay

This submission involved a considerable cost factor. Since the men are judges of their own condition, and since the crew consists remain the same, even if a man is sick, the similarities with the practices in other industries where cumulative sick pay has been accepted are not apparent here. Therefore, the Board makes no recommendation on this request.

#### 9. Health and Welfare

When the members of the union were admitted to coverage in the Employee Benefit Plan, their admission was subject to conditions that have remained unchanged. The union therefore seeks an amendment to an agreement of which it is not a signatory. Such a request is outside the authority of either of the parties before us.

We recommend that the parties jointly seek a change in the conditions of admission, so that the union will be able to participate in the administration of the Plan and be in a position to request additional benefits.

#### 10. Check-off Union Dues

We were advised that this request was withdrawn by the Union.

#### 11. Rest Rule

This request has been made to a number of Conciliation Boards in various forms and either was withdrawn or was not recommended.

As the request has a cost factor which would have to be considered in the general wage package and furthermore as the Board of Transport Commissions has power to regulate hours in the interests of safety we make no recommendation with respect to this matter.

#### 12. Payment for Attending Rules Classes

We do not recommend this request.

#### 13. Pay Cheques Issuance

The parties and the Board are in agreement that employees should be paid twenty-six (26) instead of twenty-four (24) times yearly, at two-week intervals. The union did not contest the railway's statement that administrative difficulties prevent the granting of this request at this time.

We recommend that further discussions take place during the life of the next contract in an effort to resolve their difficulties.

#### 14. Held Away From Home Terminal Rule and Payment After Sixteen Hours; Employees Expenses Away From Home

As both of these requests involve additional costs we cannot recommend them, as their granting might depend on the general wage issue.

#### 15. Shift Differentials

As such premiums are not prevalent in the transport industry and practically non-existent on the railways, and as seniority and the consequent right to choose shifts and jobs is one of the most prized rights of the union members, we do not recommend any change.

#### 16. Rule to Define Dispatching of Work to Yard Foremen

We make no recommendation for change.

#### 17. Revise Graduated Rates (Freight Service)

As this also has a cost factor and might have to be considered when the general wage increase is agreed upon, and as we are not satisfied that any change is warranted, we make no recommendation.



## 18. Establish a Crew Consist on Self-Propelled Equipment

We are not satisfied, from the evidence before us and our limited knowledge of what cost and other factors would be involved, that we can make any useful recommendation on this matter.

## 19. Interchangeable Seniority Rights

It appeared to the Board that there was some measure of agreement between the parties on this matter. This is, however, a very complex issue and we would accordingly refer the matter back for further study and negotiation.

## 20. Revision of Deadhead Rules

In view of the settlement made on this issue in 1962 and the dearth of any convincing evidence justifying a change in the terms of the rule then agreed upon, we do not recommend the granting of this request.

## 21. CPR -- Change of Ownership

It must be obvious that if the proposed rule was included in the agreement between the parties, and later if passenger trains now operated by CPR were to be operated by CNR, there could be an immediate conflict between the rights of members of this union under its agreement with the CNR and the rights acquired by road service employees in passenger service under this proposed rule. We therefore recommend no action, in the expectation that if the problem arises it would almost certainly be dealt with in a legislative context.

# RAILWAY PROPOSALS (Other than Wage Structure)

## 1. Two-Man Yard Crews

On the basis of the evidence before it, the Board feels there is justification for the railway's proposed amendment, particularly in view of the undertaking made at the time the last agreement was signed that realistic consideration would be given to any such requests made during the life of the agreement. In only one case out of seven did negotiations result in the request being granted, while in the others neither written negotiations nor joint study took place. We accordingly recommend that the request be granted, provided that the railway undertakes that no "protected" employee will become unemployed and that through the process of attrition no distress to the work force results.

## 2. Pool Cabooses

We endorse and recommend this proposal, provided that its implementation coincides with the provision for suitable alternate accommodation at company expense.

## 3. Doubleheading

The railway has requested deletion of Article 45, Prairie and Pacific Regions relating to doubleheading. With the introduction of diesel locomotives, doubleheading became obsolete, with the result that this article is redundant. The Board sees no useful purpose in continuing such a superfluous article and recommends its deletion.

All of which is respectfully submitted.

Dated at Parry Sound this 9th day of August 1966.

(Sgd.) Walter Little,  
Chairman.

(Sgd.) R. V. Hicks,  
Member.

(Sgd.) Douglas M. Fisher,  
Member.

Canadian National Railways  
and  
Brotherhood of Railroad Trainmen

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The Board of Conciliation and Investigation established to deal with a dispute between Canadian National Railways and the Brotherhood of Railroad Trainmen was under the chairmanship of His Honour Judge Walter Little, Parry Sound, Ont. He was appointed by the Minister of Labour on the joint recommendation of the other two members of the Board, R. V. Hicks, Q. C., Toronto, Ont., and Douglas M. Fisher, Ottawa, Ont., who were previously appointed on the nomination of the company and union, respectively. The unanimous report of the Board was received by the Minister in August.

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(The report of the Board in this dispute was identical to that in the dispute between the Canadian Pacific Railway Company and the Brotherhood of Railway Trainmen (above) up to Union Demand No. 17. The report in this dispute then continues as follows.)

#### RAILWAY PROPOSALS

The railway proposals were as follows:

1. (a) The company shall determine the number of employees to be used in any yard crew consist, subject only to the provisions of paragraphs (a) and (b) below.
2. Revision of the Deadhead Rules -- Proposal designed to provide payment to employees who are required to deadhead on a "time occupied basis".
3. Caboosees -- Road and Yard Service -- Proposal designed to provide company with greater freedom in use of caboose fleet, with a uniform arrangement across system.
4. Pay Systems -- Proposal to replace the "dual basis of pay" by a system designed to
  - (i) Eliminate the anomalies and inequities that exist in the present method of compensation for road service employees.
  - (ii) Eliminate provisions in the present agreements that would interfere with the implementation of the hours of work requirements of Part I of the Canada Labour (Standards) Code on an equitable basis.
  - (iii) Provide an arrangement whereby the hours of work requirements of Part I of the Canada Labour (Standards) Code can be implemented on a practical and equitable basis for employees in road and yard service; and
  - (iv) Provide a simplified and uniform method of compensation for road service employees.

#### RECOMMENDATIONS AND COMMENTS

(From this point the report was identical to that in the CPR-Trainmen dispute up to the Board's recommendation on Union Demands 2 and 3, "General Wage Increase and Revisions to Rules and Arbitraries". The Board's recommendation on those demands are as follows.)

##### 2. and 3. General Wage Increase and Revisions to Rules and Arbitraries

It is necessary to examine these matters together because of the implications concerning increased employee earnings and, correspondingly, increased employer costs inherent in the proposals. In essence, the union seeks a general wage increase. In addition it seeks a revision of pay rules whereby a minimum day's pay and overtime would be calculated as outlined in its proposal 1(c). It also seeks changes in several of the rules that would result in further increased hourly earnings to the employees. The railway proposed a complete restructuring of its method of pay.

In its reply to the union requests, the railway submitted that the general wage increase proposed together with the proposed changes in rules would mean a 32-per-cent increase in cost on the original base in road service and 35 per cent in yard service, while the increase on minimum hourly rates in road service would be increased 53 per cent in freight and 44 per cent in passenger. It was also particularly emphasized that any increase in mileage rates would provide an average increase in hourly earnings of approximately 50 per cent as much again for those claiming on a mileage basis.

It will be apparent that, since the rules represent part of the basis of determining employees' earnings, any wage increase has to be associated with any revision of the rules in order that the total benefits to the employees and



total cost to the railway may be properly evaluated. Because of the complexity of the conditions governing rules and especially those which have become known as "arbitrariness", because of the complete lack of bargaining on these issues either prior to the Board hearings or during our deliberations with the parties, and because of the limited time available to us for study and discussion of this complex subject, we are unanimously of the opinion that we cannot make a specific logical recommendation as to the amount of a general wage increase. It is our view, however, that because of the complexity of the problem, because of the comments we will make on the proposed restructuring of the method of pay, because the eight-hour day is now general industrial practice and because of the high employment rate and scarcity of skilled help in our economy today, the said proposal 1(c) of the union cannot be recommended at this time.

(Here the report in this dispute follows that in the CPR-Trainmen dispute up to the recommendation about the check-off of union dues. The Board's comment in this report was different, and appears below.)

#### 10. Check-Off Union Dues

The railway is not opposed in principle to this request. In the case of non-operating employees a reduction is made of an amount which equals uniform monthly dues.

As far as this union is concerned, the monthly dues vary from lodge to lodge, and even member to member within lodges. It would be a difficult and costly matter for the railway to make the deduction. We approve the request only on the basis that there be a uniform dues deduction.

(The report in this dispute parallels that in the CPR-Trainmen dispute up to the heading, "Railway Proposals other than Wage Structure.")

### RAILWAY PROPOSALS (Other than Wage Structure)

#### 1. Crew Consist -- Yard Service

This proposal by the Company would appear to have merit and we would recommend it be given consideration provided the Railway undertakes that no "protected" employee will become unemployed and that through the process of attrition no distress to the work force results.

#### 2. Revision of Deadhead Rules

In the opinion of the Board, there appears to be no reason why the present rule applicable herein should differ from that contained in the last two Agreements with the Canadian Pacific. We therefore recommend that it be adopted in conformity therewith.

#### 3. Pool Cabooses

We endorse and recommend this proposal provided that its implementation coincides with the provision for suitable alternate accommodation at Company expense.

All of which is respectfully submitted.

Dated at Parry Sound this 9th day of August 1966.

(Sgd.) Walter Little,  
Chairman.

(Sgd.) R. V. Hicks,  
Member.

(Sgd.) Douglas M. Fisher,  
Member.







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No. 8, 1966

**CONCILIATION BOARD REPORTS**  
together with  
**CLRB REASONS FOR JUDGMENT**

**Conciliation Board Reports in disputes between**

Robin Hood Flour Mills Limited and United Packinghouse, Food and Allied Workers  
H.W. Bacon Limited, Toronto, and International Brotherhood of Teamsters  
Taggart Service Limited, Ottawa, and International Brotherhood of Teamsters  
British Overseas Airways Corporation and United Automobile, Aerospace and Agricultural  
Implement Workers  
TransAir Limited and International Association of Machinists and Aerospace Workers

**Reasons for Judgment in application affecting**

International Brotherhood of Teamsters and Continental Trucking Ltd., Saskatoon

A LABOUR GAZETTE SUPPLEMENT

CANADA DEPARTMENT OF LABOUR

Hon. John R. Nicholson, Minister

George V. Haythorne, Deputy Minister





Report of Board of Conciliation and Investigation established to deal with dispute between

Robin Hood Flour Mills Limited  
and  
United Packinghouse, Food and Allied Workers

The Board of Conciliation and Investigation established to deal with a dispute between Robin Hood Flour Mills Limited, Port Colborne, Ont., and District 8, United Packinghouse, Food and Allied Workers was under the chairmanship of Trevor R. Smith of Toronto, Ont. He was appointed by the Minister on the joint recommendation of the other two members of the Board, Colin A. Morley and A. Alan Borovoy, both of Toronto, who were previously appointed on the nomination of the company and union, respectively.

The report is signed by the Chairman; Messrs. Morley and Borovoy filed separate statements of dissent. All reports were received by the Minister of Labour in July.

I have the honour to submit this report of the Board of Conciliation established under the relevant section of the Industrial Relations and Disputes Investigation Act in respect of a dispute between the afore-mentioned parties.

Official sittings of the Board were held in Vineland, Ont., on the 13th, 14th, 15th, 19th, 20th, and 21st days of June, and on the 13th day of July 1966. In addition, the Board made an on-the-spot inspection of the premises in Port Colborne, Ont., on the 16th day of June 1966.

The Board was unable to bring the parties to any agreement.

The Board made a determined effort to attempt to discover an amicable solution to this dispute. The Board met either in formal session, in committee, or in committee plus a party, on the 13th, 14th, 15th, 19th, 20th and 21st days of June, and on the 13th of July. In addition to these sessions the Board made an on-the-spot inspection of the premises on the 16th day of June in order to be in a position to make recommendations on the issue of the composition of the bargaining unit.

The Statement of Matters in dispute referred to the following six items:

1. Type of Agreement
2. Wages
3. Union Shop
4. Retroactive Pay
5. Welfare
6. Promotions

It became obvious almost immediately that no method of approach would lead to any ultimate success unless some agreement could be reached concerning:

1. Type of Agreement
2. Term
3. Composition of the Bargaining Unit

This Board was, and is, of the opinion that the primary function of the conciliation process is to conciliate. Therefore, after much deliberation, the Board decided to ignore all that had gone on before, and to attempt to mediate between the parties on the basis of considering each and every submission as though it were raised for the first time. This explanation is necessary, Sir, in that the actions of the Board inevitably led to consideration being given to possible solutions proposed which might have been beyond the jurisdiction of the Board.

For that, and for other reasons less apparent, this report will contain only one brief "recommendation" but will contain more lengthy explanations which it is hoped will influence the thinking of the parties to the dispute.

The statement of the Conciliation Officer concerning the type of Agreement is to the point. He declares "the attitude of the parties was friendly, but both were adamant on the separate agreement question." The Union had made its position clear before the federal Labour Relations Board that it was not, nor would be, seeking to integrate the office personnel with the production employees. This should have been the end of it. However, in line with its position stated heretofore, the Board examined the question as though it were posed for the first time.

There are approximately two hundred employees of Robin Hood Flour Mills at Port Colborne, Ont. One hundred and eighty mill and laboratory employees are covered by an Agreement which expires September 1, 1967. Twenty employees of the office staff are not covered by that Agreement. This office group has been certified as a separate bargaining unit with the international union as its agent. Nine jobs have been excluded through certification that are protested by the union. If the five jobs out of the nine be included as contemplated by this Board, then about twenty office employees are concerned.

Therefore, even if this figure be not reduced, the office employees would be outnumbered by the main group by nine to one. On any issue placed before the membership of the union in a master agreement, the office group, if voting as a bloc, would be out-voted by 11 per cent of the other employees. Surely the office employees should be entitled to be sufficiently in control of their own destinies that a majority vote of their unit within their own Agreement should carry the day.

The question as to whether or not the company could take advantage of the smaller group while satisfying the demands of the larger unit must be considered. It must be admitted that many management representatives would not deny that in the present climate of industrial relations some unions have not been loath to flex their muscles and engage in ultimatum bargaining. It is therefore not impossible that management might consider fair is fair when the pendulum has swung. However, the office group can obtain all the protection that they could acquire in any event by establishing a terminal date

close enough to the expiry date of the plant agreement that future negotiations would be conducted in parallel. Then, if both units continue to operate in good faith, the larger group would protect the smaller, without the smaller group being reduced to an innocuous minority. If, however, something should occur which would cause friction between the groups, the office staff would at least be able to express their opinion by their own vote.

The Board would therefore suggest that when the parties resume negotiations, a separate Agreement be negotiated to expire in the month of September 1967.

The Board was distressed to find that there was no prospect of negotiating a voluntary settlement without a change in the composition of the unit. Twenty-four jobs were referred to below the rank of Department Manager. Fourteen jobs were included in the certification, and ten were excluded. Nine of the ten jobs excluded were protested by the union.

It must further be stated that the union committee was prepared to submit detailed arguments concerning the alleged lack of justification for these exclusions.

The Board was aware that it could hardly submit any recommendation that the certification be amended. However, following the same principle referred to heretofore, the Board made an inspection of the premises, interviewed each and every one of the incumbents involved, and studied with care the letters, forms and charts made available by the company.

As a result of this inspection, the Chairman is prepared to suggest that five of the jobs be included in the unit, and that four be excluded. The parties have been made aware of the jobs referred to above.

Of the four jobs excluded, one is a cause of acute concern to the union. To attempt to put in writing the cause of concern would be disastrous for two reasons. In the first place, the Chairman does not believe that the concern of the union is at all justified; and in the second instance, any language used could easily be misconstrued. The parties are aware of the job and the reasons. The job, per se, is a managerial job. If the incumbent desires to assume the responsibility and the obligations of the position as stated by the company both verbally and in writing, then the onus of declaration must rest with the incumbent. If he feels that he wishes to accept these tasks and obligations, he should relieve the union of its concern for him by informing both parties of his desire to be part of management. If, however, he does not desire to do so, then the company would be foolish to continue to look upon him as management material. Either way, the incumbent should declare his intentions to both parties at once.

The question of union security is not about to be belaboured by this Board. It is in the interests of the parties that a union shop be recognized throughout the plant since it has already been established in 95 per cent of the plant.

Wages and retroactivity are not items which can be reported upon with a degree of accuracy equal to that in other areas. However, in this instance, at least one comparison related to bargaining strength is available, due to the fact that the remaining 90 per cent of the employees of the Company received a minimum of 22 cents an hour increase over a rate enjoyed 24 months prior to September 1967.

It would therefore seem to be at least reasonable to assume that the employees referred to in this report should receive, during the period from August 1966 to August 1967, 22 cents an hour more than they received when rates and working conditions were frozen due to certification. Where Red Circle rates would be established, special reference should be made in any Agreement.

Some special adjustments were made in the Plant Agreement which have not been considered herein. In order to compensate for these adjustments, and in order to recognize

the benefit to the company which long service of office employees bring, this Board will further recommend that any employee of this group employed more than four years in the job shall receive an extra two dollars (\$2.00) per month per year of service over four.

The Board recommends that a lump sum of fifty dollars (\$50.00) be paid to all employees of the company who are included in this group who were on the payroll of the company at certification and who remain on the payroll at signing. All others pro rata if they are on the payroll on signing.

This report is respectfully submitted this 13th day of July 1966.

(Sgd.) Trevor R. Smith,  
Chairman.

#### REPORT OF COLIN A. MORLEY

I have carefully reviewed the Report as prepared by the Chairman. While I am in agreement with parts of that Report, I, at the same time, am opposed on the basis of principle to certain other parts. For that reason, I am not prepared to endorse the Report. I have concluded, however, that no useful purpose would be served by a spelling out of my views and I have, therefore, refrained from doing so.

Dated at Toronto, Ontario this 15th day of July 1966.

(Sgd.) Colin A. Morley,  
Member.

#### REPORT OF A. ALAN BOROVY

Regrettably, I cannot join in the recommendations made by the Chairman of this Board. While I commend his vigor in attempting to promote a settlement, I cannot accept his judgment that the recommendations he has made are conducive to that end. I refer most specifically to the wage proposal. It is clear from my talks with the parties that the office employees would not accept a wage package which would sustain the wide disparity between them and the plant employees. Merely to grant them the same increase as the plant people perpetuates the very inequity that gave rise to the union organization among the office employees.

A realistic wage proposal must make a significant stride toward achieving greater parity between the office and the plant.

In my view, the prime function of a conciliation report is to assist the parties in reaching an agreement. It must, therefore, address itself to the problems on each side of the bargaining table. Being somewhat more familiar with the problems on the union side, I can report that in order to be helpful, our recommendations must take greater account of the inequity issue.

On the basis of the foregoing, I must dissociate myself from the Chairman's report and express the hope that the parties will consider the observations which I have recorded here.

TORONTO, ONTARIO, July 19th, 1966.

(Sgd.) A. Alan Borovoy,  
Member.



Report of Board of Conciliation and Investigation established to deal with dispute between

H. W. Bacon Limited, Toronto  
and  
International Brotherhood of Teamsters

The Board of Conciliation and Investigation established to deal with a dispute between H.W. Bacon Limited, Toronto, Ont., and Local 419 of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America was under the chairmanship of R.G. Geddes of Toronto, Ont. He was appointed by the Minister of Labour in the absence of a joint recommendation from the other two members of the Board, David Churchill-Smith of Toronto and W. Walsh of Hamilton, who were previously appointed on the nomination of the company and union, respectively. The Board's report of settlement was received by the Minister in August.

The Conciliation Board, Mr. D. Churchill-Smith, employer nominee, Mr. W. Walsh, union nominee, and Mr. R.G. Geddes, Chairman, met with the representatives of the parties at Toronto, Ont.

Present for the company were: Mr. S.E. Dinsdale, Q.C., Counsel; Mr. J.A. Tory, Q.C., Mr. R. Lienhart, Mr. R. McDowell, Committee.

Present for the union were: Mr. J. Robinson, Spokesman; Mr. B. Currie, Mr. A. Gibson, Mr. E. Ryan, Mr. F. Kelly, Mr. F.W. Green, Mr. P. Nicholson, Mr. J. Gregory, Mr. A. Bell, Mr. W. Currie, Committee.

At meetings directly between the parties, following negotiations conducted by the Conciliation Board, the parties came to agreement on all matters in dispute. A list of the terms agreed upon, settling the principal issues, is attached to this Report, and the Conciliation Board unanimously recommends these terms be ratified by the parties and that an amended Renewal of Agreement be completed based upon them.

All of which is respectfully submitted.

Toronto, Ontario,  
August 2, 1966.

(Sgd.) R.G. Geddes,  
Chairman.  
(Sgd.) D. Churchill-Smith,  
Member.  
(Sgd.) Wm. Walsh,  
Member.

PRINCIPAL TERMS OF SETTLEMENT  
between

H. W. Bacon Limited, Toronto, Ontario  
and

Local 419 of the International Brotherhood of Teamsters

3-YEAR CONTRACT — January 1, 1966 - December 31, 1968.

WAGE INCREASES	Jan. 1/66	Jan. 1/67	July 1/67	Jan. 1/68
Working Supervisors	15¢	20¢	30¢	20¢
Mechanics	15¢	20¢	30¢	20¢
Drivers	15¢	10¢	30¢	10¢
Utility Men	15¢	10¢	30¢	10¢
Watchmen	\$85 per wk. \$90 per wk.		—	\$95 per wk.

Initial increases to take effect first pay period following August 8, 1966.

Payment of retroactive pay to be made on or before August 25, 1966.

Retroactive pay to apply to employees on layoff and subject to recall.

Special provisions regarding wage increases to persons formerly employed as tractor-trailer drivers in the Cartage Division.

HOURS OF WORK AND OVERTIME

Time and one-half to be paid for work on statutory holidays (in addition to statutory holiday pay).

Effective July 1, 1967, time and one-half to be paid for work in excess of 8 hours in any day or 40 hours in any week.

Effective July 1, 1967, time and one-half to be paid for work on 6th and/or 7th day in any week.

VACATIONS

2 weeks after 1 year

3 weeks after 10 years

4 weeks after 17 years (reduced to 16 years in 1967 and 15 years in 1968)

WELFARE AND PENSION

Company payment to Welfare Plan to be increased from \$14 a month to \$15 a month effective January 1, 1966.

Effective January 1, 1968, company to pay employees' contributions under Canada Pension Plan.

SENIORITY

All jobs to be posted within 90 days after signing of Agreement and within 90 days after July 1, 1967 and annually thereafter before the end of April in each year — to be posted for 30 days in each case — job selection on basis of seniority and qualifications for job.

If a senior employee's hours are reduced after a posting, then he will have the right to claim the job of junior employee in the same classification who is working the same number of hours as the senior employee was working before the reduction.

TIME CLOCKS

To be installed at Princess Street and Berkeley Street locations to record time daily and weekly.

Report of Board of Conciliation and Investigation established to deal with dispute between

Taggart Service Limited, Ottawa  
and  
International Brotherhood of Teamsters

The Board of Conciliation and Investigation established to deal with a dispute between Taggart Service Limited, Ottawa, Ont., and Locals 91, 938 and 106 of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America was under the chairmanship of T.C. O'Connor of Toronto. He was appointed by the Minister of Labour in the absence of a joint recommendation from the other two members of the Board, David Churchill-Smith and Murray Tate, both of Toronto, who were previously appointed on the nomination of the company and union, respectively. The Report was signed by the Chairman and Mr. Tate. A dissenting report was signed by Mr. Churchill-Smith. Both reports were received by the Minister in August.

The Board of Conciliation appointed in the above matter, consisting of David Churchill-Smith, Member, Murray Tate, Member, and Thomas C. O'Connor, Member and Chairman of the Board, met with the parties in Ottawa on June 14 and 24, 1966. The company was represented by J.A. Perkins, President. The union was represented by K. McDougall, President, Local 938.

Statement of the matters referred to the Board: Wages and Hours of Work, Vacation, Statutory Holidays, Welfare, Pensions, Union Security.

At the close of the hearing on June 14, it appeared to the Chairman of the Board that the only outstanding item was the question of union security. Mr. Perkins, President of the Company, requested an adjournment at that time in order to review a proposal on this item. He stated that he would accept the Chairman's proposal for a check-off of dues but that he would like the opportunity to check an effective date which was part of the proposal. This adjournment would also give him the opportunity to review the collective agreement with respect to maintenance personnel in the Montreal area and welfare benefits as negotiated by the Motor Transport Industrial Relations Bureau of Ontario. At the hearing on June 24, the Board of Conciliation was soon advised by Mr. Perkins that he had changed his thinking and as a result there could be no basis for settlement of the issues in dispute.

The Board of Conciliation must now make recommendations on the six items in dispute. With respect to these items the Board of Conciliation would recommend the Collective Agreements negotiated between the Motor Transport Industrial Relations Bureau of Ontario and the Teamsters in their various locals throughout Ontario and Quebec. These agreements, among other things, provide for a union shop, a welfare plan, pension plan, vacations with pay and reduced hours of work with wage increases as set out in the attached Collective Agreement (not reprinted here). With respect to the maintenance agreements and welfare provisions, these items were filed with the employer at the hearing on June 24, 1966. All of which is respectfully submitted.

Dated at Toronto this 5th day of August 1966.

(Sgd.) Thomas C. O'Connor,  
Chairman.

(Sgd.) Murray Tate,  
Member.

REPORT OF DAVID CHURCHILL-SMITH

I have had an opportunity to consider the report of my colleagues in this dispute, and with respect, I cannot agree with their conclusions nor their recommendations as therein contained.

While it is not necessarily material to the basis of the report of my colleagues, there are certain statements contained therein which I feel obliged to comment on, since they are not in accord with my notes or even recollection of what occurred during the meetings conducted by the members of the Board with the parties.

My colleagues have stated that the only item remaining in dispute was the question of union security at the conclusion of the meeting on June 14. While it is true the issue of union security, including check-off, was an unresolved matter between the parties, this issue was not the primary cause of the Board members and the parties agreeing to an adjournment until June 24. In fact, it was my understanding that the whole purpose in arranging for an adjournment for another meeting with the Board was to permit the representatives of the union to file certain detailed information, as requested by the company, relating to the union's benefit program as well as certain other material, which the officials of the company said that they had not seen before and required consideration on their part. This information was to be forwarded to the company prior to June 24 so that the company might discuss it with the Board at the meeting on that date. As it turned out, between the two meeting dates as had been arranged, the union (with one exception) never did comply with this request of the company.

Secondly, the report of my colleagues states that the Chairman's proposal for the check-off of dues was acceptable to the President of the company, that he merely wished to have the opportunity to consider an effective date which formed part of the Chairman's proposal in this regard. At no time in my presence, did I recall Mr. Perkins, the President of the company, making such a statement. It is true he referred to the item of the effective date, but (it) was certainly not the only matter regarding union security that concerned him. Mr. Perkins did state on more than one occasion during the course of the meetings that one of the main problems in the matter of check-off, insofar as it affected the company, was that he had received written notice from many of his employees stating their opposition to the payments of union dues. The result of the statements as set forth in the Majority Report would lead to the inference that it was the company which was the cause of the break down in the Board's deliberations. In my opinion, this was not the case, since there were several other matters, including the whole welfare plan arrangement and the matter of hours of work, which even the union was not prepared to discuss, unless the company agreed to accept what the union stated had been negotiated with some other companies in the trucking industry.

As to the recommendations contained in the Majority Award, I can find no basis, indeed there are no reasons in support thereof, for suggesting that Taggart Service should automatically adopt and accept certain provisions which may have been negotiated by other companies and the union. In this



connection, it should be noted that there was no comparative evidence produced by either party in support of its respective position in regard to the outstanding matters and in the absence of any such material I cannot agree that this company should be expected to follow what may have been done elsewhere by this union and other companies in the industry. Quite apart from these other considerations, it should be born in mind that in current negotiations, representatives of the parties are negotiating a first collective agreement and there is no justification, in my opinion, for this company to be expected to undertake all of the provisions which obviously have resulted from many years of collective bargaining between this union and other companies.

Under the circumstances, as a result of the nature of the proceedings of the Board and particularly the lack of any real supporting evidence as to the respective positions of the parties, I feel there is no justification for making specific recommendations.

I would recommend, however, that upon release of the Board's Report, the parties meet in an effort to achieve a mutually satisfactory settlement.

All of which is respectfully submitted.

DATED at TORONTO, this 9th day of August, 1966.

(Sgd.) D. Churchill-Smith,  
Member.

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Report of Board of Conciliation and Investigation established to deal with dispute between

British Overseas Airways Corporation  
and  
United Automobile, Aerospace and Agricultural Implement Workers

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The Board of Conciliation and Investigation established to deal with a dispute between British Overseas Airways Corporation, Montreal, and International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW) was under the chairmanship of T.C. O'Connor of Toronto. He was appointed by the Minister of Labour in the absence of a joint recommendation from the other two members of the Board, H. McD. Sparks of Montreal and R.R. Smeal of Vancouver, who were previously appointed on the nomination of the company and union, respectively. The Board's report was received by the Minister in August.

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The Board of Conciliation appointed in the above matter, consisting of H. McD. Sparks, Member, R. R. Smeal, Member, and Thomas C. O'Connor, Chairman and Member of the Board, met the parties on July 19, 20, 21, 1966 in Toronto. The company was represented by G.S. Drain. The union was represented by J. L. Hiller.

The Board of Conciliation is pleased to report that the parties have reached agreement on all issues in dispute. Following the hearings, the Board of Conciliation was advised that the terms of settlement were ratified by the union membership.

SETTLEMENT PAY: 8% of earnings from April 1, 1966 to July 31, 1966 for present employees on the payroll as of July 20, 1966.

SALARIES: Effective August 1, 1966, present salary scales will be increased by 8%. Effective April 1, 1967, the salary scale in effect on that day will be further increased by 7%.

In addition, for the salary classifications listed hereunder adjustments will be made as shown prior to applying the 8% increase as of August 1, 1966.

Scale A will be revised as follows: \$242, \$256, \$268, \$279, \$293, \$310, \$320, \$330.

Warehouseman: \$5 will be added to each point of the existing scale.

Teletypist: scale will be revised as follows: \$296, \$309, \$321, \$345, \$370, \$390, \$400, \$413.

Reservation Clerks & Station Clerks: scale will be revised as follows: \$307, \$321, \$339, \$358, \$377, \$393, \$414, \$432, \$450, \$459, \$480.

Scale G will be revised as follows: \$436, \$464, \$494, \$524, \$559, \$595, \$628, \$665.

VACATIONS: Effective on and after June 1, 1966: 3 weeks on completion of 4 years service, 4 weeks on completion of 15 years service.

STATUTORY HOLIDAYS: Remembrance Day shall be added as a statutory holiday.

DISCRETIONARY HOLIDAY: During the life of this agreement there shall be no change with respect to the corporation's practice of granting a discretionary holiday at either Christmas or New Year.

OTHER ITEMS: All other items previously agreed to and confirmed by both parties before the Board of Conciliation shall form part of this agreement. The agreement shall expire on July 31, 1968.

All of which is respectfully submitted.

Dated this 8th day of August 1966,

Signed on behalf of the Board,

(Sgd.) Thomas C. O'Connor,  
Chairman.

Report of Board of Conciliation and Investigation established to deal with dispute between

TransAir Limited  
and  
International Association of Machinists and Aerospace Workers.

The Board of Conciliation and Investigation established to deal with a dispute between TransAir Limited, St. James, Man., and Lodge 2223 of the International Association of Machinists and Aerospace Workers was under the chairmanship of W. Steward Martin of Winnipeg, Man. He was appointed by the Minister of Labour on the joint recommendation of the other two members of the Board, H.B. Monk, Q.C., and E.A. Smith, both of Winnipeg, who were previously appointed on the nomination of the company and union, respectively. The unanimous report of the Board was received by the Minister in August.

The Board received written briefs from Lodge 2223 of the International Association of Machinists and Aerospace Workers, hereinafter referred to as the "Union" and TransAir Limited, hereinafter referred to as the "Company".

The Company was represented by: D.C. McGavin, Q.C., F.C. McKay, and T.A. Spruceton.

The Union was represented by: Stanley J. Carter, W. McNab, J. Turnbull, S. Cohen, and J. Penner.

After the Union had presented its brief and the Board listened to the Company's oral reply to the Union's brief, the Board, pursuant to the requirements of The Industrial Relations and Disputes Investigation Act, attempted to conciliate the differences existing between the parties. The Board was unsuccessful in its conciliatory efforts and as a result, pursuant to the requirements of The Industrial Relations and Disputes Investigation Act, it is necessary for the Board to make recommendations as to a fair and equitable basis for a settlement of the dispute.

#### ISSUED IN DISPUTE

##### Union Issues

Union Security: Union Shop

Establishment of Leadhands: Each trade classification consisting of three or more employees to have a leadhand.

Northern Operations Allowance: Present northern allowance is to be increased.

Overtime Premium: (a) second day off double time for hours worked; (b) double time after four hours overtime in regular day and after four hours work on first day off; (c) four hours emergency recall at time and a half; (d) hot meals to be supplied to any employee working over eight hours or after regular hours of a shift.

Health and Welfare: Full coverage medical and hospitalization premiums to be paid by the Company. Improved cumulative sick time provisions.

Automatic Progression Through Wage Grades: advancement from lower wage grades to the automatic, after completion of present time period requirements.

Trade Classifications:

(a) introduction of journeyman classification;

(b) introduced differential in wages between Grade 4 mechanic and licensed mechanic Grade 1.

Shift Work Differential:

15¢ afternoon shift

25¢ night shift

Vacations: Three weeks after seven years.

Statutory Holidays: Payment for Boxing Day.

Scope of Agreement: Flight Engineers to be covered.

Wages: 35% across the board increase on a one-year contract.

##### Company Proposals

1. Cost of bargaining committee attendances at meetings for negotiation of Collective Bargaining Agreement to be borne solely by the Union.

2. Cost of collection of Union dues to be assessed to the Union at 10% of the amount collected.

3. Statutory holidays pay to be granted in accordance with the formula set forth in the Canada Labour Code.

##### Summary of Union's Brief

The Union in its brief set forth the history of the dispute and an outline of the matters currently in dispute. The Union's bargaining committee declared that the primary issue in dispute was wage rates. The Union represents the employees in the maintenance department of the Company, who are primarily engaged in the overhaul, servicing and maintaining of the aircraft operated by the Company. Within this group there are a considerable number of employees who possess the high skills required to undertake aircraft service and maintenance work. The Union in its submission placed primary emphasis on the wage differential existing between the Company and Air Canada, Canadian Pacific Airlines, Pacific Western Airlines and Quebec Air. The Union attempted to justify its demand for a 35-per-cent wage increase on the grounds that this increase would be necessary in order to eliminate the differential and create parity with Air Canada and Canadian Pacific Airlines.

##### Union Argument

The Union's bargaining committee made lengthy representations on the question of automatic progression through wage grades. The Union recognizes the necessity of employees to progress only after they have attained the required training and/or licences necessary to progress to more sophisticated work. However, the Union strongly objected to the Company's policy in the administration of its authorized establishment for job classification. The Company advances a worker into a higher job classification only when there is a vacancy in the authorized establishment even though workers may possess all the qualifications and training necessary to perform the higher rated work and in fact may be actually engaged in the performance of this type of work.

The other demands of the Union were supported through reference to analysis of collective bargaining agreements covering other maintenance and manufacturing operations within the Canadian aircraft industry.

##### Company Argument

The Company in its argument did not plead inability to pay but tendered to the Board the 1965 audited Financial Statement of the Company, which reveals that the year's operation resulted in a net operating profit of approximately \$21,000. The operating revenues of the Company in 1965 and 1964 were approximately the same. The operating profit before deduction of depreciation and overhaul less gain on disposal of fixed assets reveal that the Company's operating profit was approximately \$200,000 less in 1965 than in 1964.

The Company pointed out that the cost of the offer made to the Board in an attempt to reach a mutual agreement, which cost resulted in an approximate 8-per-cent wage increase in the first year of the contract, an approximate 6-per-cent wage increase in the second year of the contract, improvement of northern allowances, sick leave, automatic progression, improved vacation entitlement, would be approximately \$162,500. The Company strongly argued that a settlement on this basis



was fair and reasonable and in excess of the economic benefits enjoyed by those doing comparable work in the Greater Winnipeg area.

The Company rejected any comparison with other air carriers. The rejection of a comparison with Air Canada and Canadian Pacific Airlines was based on the argument that these two carriers are major international carriers with strong financial basis and enjoying the benefits of a much higher aircraft utilization and more modern and economic equipment. The (rejection of a) comparison against Pacific Western Airlines was argued on the grounds that this company's maintenance facility was in Vancouver and the wage structure was strongly influenced by the general Vancouver area wage structure and the American wage structure as found in the states of Washington and California. The Company maintained that there had to be a similarity in conditions between the air carriers cited by the Union and TransAir Limited before a parity argument could logically be advanced. The Company's position was that there was no factual basis upon which to advance a comparative argument and that historically it has been recognized that this carrier has not paid the same wages for comparable services as carriers existing elsewhere.

#### BOARD RECOMMENDATIONS

##### General Observations

The Board recognizes that the maintenance employees of the Company are performing highly skilled work which work is comparable to the maintenance work performed by other air carriers in Canada. The Board recognizes also that this Company and its employees are performing a significant roll in Manitoba's progressive development which is increasingly orientating itself toward the North. This airline, as Canada's major northern carrier, is seizing the opportunities that are made available in the field of air passengers and air cargo movement northward.

The Company's financial statements reveal that the Company is on a sound financial basis but, even though the Company did not argue inability to pay, it should be recognized that there is a limit to the amount of money that the Company can afford to pay in order to support its maintenance operation. It is significant of note that the common shareholders of this Company as yet have never received dividends on their capital investments.

At this juncture in the history of the Company, it is not reasonable to compare its operations with the operations of the other major Canadian carriers even though the skills being performed may be comparable. This does not say that this condition will exist indefinitely. If the Company's operations expand profitably, comparisons may be justified. However, any comparison with other airlines must take into consideration the wage structure, cost of living etc., that exists in the areas in which maintenance work is being performed. Even if there was positive justification for reducing the differential between the principal air carriers in Canada and TransAir Limited, this differential could not with economic justification be accomplished too rapidly. Business consideration would require that the differential be reduced at a rate that would not jeopardize the financial position of the Company.

The best evidence available in Manitoba reveals that the present wage settlements occurring within the province are averaging approximately 5.5 per cent per year.

##### Specific Recommendations

**Northern Operation Allowance:** The present northern operation allowance to be increased effective July 1, 1966 by 5 per cent.

**Health and Welfare:** Sick leave accumulative to 18 days effective July 1, 1966.

**Automatic Progression Through Wage Grades:** Licensed mechanic automatic to Grade 3 as per Company presentation,

then merit increase to Grade 4. Trade mechanic, storekeeper, building maintenance repairman and building maintenance helpers, automatic progression to Grade 3 and progression to Grade 4 dependent upon establishment. The qualification for automatic progression is set forth in the Company's memorandum attached, which the Board subscribes to in principle with the amendment as noted, namely, that the automatic feature extends to Class 3 instead of Class 2 as therein set forth.

Progression would be subject to the provision that persons in the classification of truck driver, tool-crib attendant, helper and labourer would not proceed beyond Grade One. Persons in the classification of building maintenance helper, aircraft cleaner or janitor would be limited to Grade Two and persons who were storekeepers or ramp and station attendants would not proceed beyond Grade Three.

Past service of an employee would be recognized by the Company to enable the employee to move out of his present classification.

**Vacation Entitlement:** Employees with 12 years service with the Company, effective in holiday year commencing June 1, 1966, shall be entitled to 3 weeks holidays with pay.

**Statutory Holidays:** Employees to be granted Boxing Day holiday as a paid statutory holiday.

**Wages:** An 11% across the board wage increase for all classifications during the first year of the Collective Bargaining Agreement and a 6% across the board wage increase for all classifications during the second year of the Collective Bargaining Agreement. The wage increase is to be fully retroactive to June 30, 1966.

**Term of Agreement:** The Collective Bargaining Agreement shall be effective until May 31, 1968.

**Disposition of other matters in issue:**

##### Union Proposals

**Union Security:** The Union has requested a closed shop. The Union's main complaint was that there are six or seven long-time employees who refuse to join the Union. The Union's argument is that these employees should be compelled to assume their share of the cost of union representation. The Company argues that there has been a long-standing policy of the Company not to force employees to join a trade union. The Board is sympathetic to the Union's position. However, due to the relatively small number of employees involved and the position taken by the Company, the Board feels that this matter should be held in abeyance until the next negotiations.

**Establishment of Leadhands:** The Company and the Union through direct negotiations have improved the conditions responsible for this demand and certain changes of procedure have already been implemented. The Board feels that it should not make any recommendations on this subject.

**Overtime Premium:** In the instant case this employer is forced to engage in overtime because of the seasonal pressures of its business and the scarcity of trained labour. In light of the substantial wage increase that this Board has recommended, it is felt that no changes should be made to the overtime provisions.

**Health and Welfare:** In the last negotiations with this Company, the Union received substantial improvements in this area and in light of all the circumstances it is felt that no further benefit accrue to the Union at this time.

**Trade Classifications:** The dispute in this area is closely allied with the automatic progression issue and it would appear that no substantial issue exists between the parties.

**Shift Work Differential:** The present agreement provides for shift work differential which recognized the inconvenience of shift work. The Board does not recommend any change to the present shift work differential.

**Scope of Agreement:** The Union requested the inclusion of flight engineers. The question of enlarging the bargaining

unit is presently before The Canada Labour (Relations) Board. This Conciliation Board has no authority to make recommendations in this area.

#### Company Proposals

The Board rejects the proposals submitted by the Company for variation of the terms and conditions of the Collective Bargaining Agreement. By practice the parties have agreed to a formula for the compensation of workers engaged on behalf of the Union in collective bargaining. This practice should be adhered to covering the cost of the present negotiations.

DATED at the City of Winnipeg, this 3rd day of August, A.D. 1966.

(Sgd.) W.S. Martin,  
Chairman.  
(Sgd.) Henry B. Monk,  
Member.  
(Sgd.) E. A. Smith,  
Member.

#### AUTOMATIC PROGRESSION

The Company proposes that changes be made in Article IX of the Agreement of May 6, 1965 to give effect to the following: Licensed Mechanics

The four years as a learner to be reduced to three years, provided the employee has obtained his D.O.T. "A" Licence. Grade "A"

Must have a minimum of three years as a Learner. If he has his "A" License for three months he can advance as a Grade "A" to a Grade "B" if he has one endorsement, or failing this will advance after six months to Grade "B". Grade "B"

Must have a Grade "A" for three months plus two endorsements then can advance to Grade "C" or failing this will progress to Grade "C" after six months.

Grade "C"

Must have Grade "B" and work six months before moving to Grade 1.

Progression from Grade 1 to Grade 2 would be automatic following two years service as a Grade 1 and completion of qualifications.

Advancement to Grade 3 would require a total of three endorsements and service of two years as a Grade 2, but such advancement to Grade 3 would be subject to a vacancy bulletin.

Advancement to Grade 4 would require endorsement on all types of aircraft currently maintained by the Company services for two years as a Grade 3, but such advancements to Grade 4 would be subject to a vacancy bulletin.

Trade Mechanics including Electricians, Sheet Metal Workers, Radio, Welder, Painter, Woodworker and Unlicensed Aircraft Mechanics:

The four years as learner to be continued but may be accelerated to three years provided the employee passes satisfactorily a Company trade test.

Grade "A"

Must have a minimum of three years as a learner. Advancement to Grade B following completion of six months service.

Grade "B"

Must have completed Grade "A". Advancement to Grade 1 following completion of six months service.

Grade 1

Must have completed Grade "B". Advancement to Grade 2 following the completion of two years service in the Mechanic Grade 1 classification.

Grade 2

Must have completed Grade 1. Advancement to Grade 3 requires a minimum service of four years in Grade 1 or higher, and is dependent upon merit and ability and provided there is a vacancy in the specific classification.

Grade 3

Must have completed Grade 2. Advancement to Grade 4 requires a minimum service of six years in Grade 1 or higher and is dependent upon merit and ability and provided there is a vacancy in the specific classification.

NOTE: The trades of building maintenance repairman and building maintenance helper, which do not require the employee to start in the learner grade, would advance in accordance with the above proposals for Grades 1, 2, 3 and 4.

The trades of issuers and storekeepers would be dealt with on the same basis.

#### CANADA LABOUR RELATIONS BOARD

#### Reasons for Judgment in Application for Certification affecting

International Brotherhood of Teamsters  
and  
Continental Trucking Ltd., Saskatoon  
and  
Ron Priel

Applicant

Respondent

Intervener

The Board consisted of A. H. Brown, Chairman, and A. H. Balch, E. R. Complin, J. A. D'Aoust, A. J. Hills, Donald MacDonald, Gérard Picard and Harry Taylor, members. The judgment of the Board was delivered by the Chairman.

The Applicant applies to be certified as bargaining agent for a unit of employees of the Respondent classified as truck driver, including truck driver/salesman, and mechanic.

The Respondent, a company incorporated under the laws of Saskatchewan, carries on a commercial trucking business. Its operations as such are confined exclusively to the hauling of the trailers of a meat packing firm, Intercontinental Packers Limited, hereinafter called "Intercontinental", containing

the products of Intercontinental between Intercontinental meat packing plants at Saskatoon and Regina in the province of Saskatchewan, Red Deer in the province of Alberta, Vancouver in the province of British Columbia, and from these plants to points in the province of Ontario. Respondent also hauls live-stock for Intercontinental to its plants within the province of Saskatchewan.



The Respondent contends (1) that the hauling arrangements between it and Intercontinental are such as to vest control of the interprovincial hauling arrangements in which its tractors and tractor drivers are used wholly in Intercontinental, so that the Respondent and its employees are not subject to the provisions of the Industrial Relations and Disputes Investigation Act and (2) that for the purposes of this application the Respondent is not the employer of the employees in the proposed bargaining unit.

The Respondent's evidence is that the arrangements between the Respondent and Intercontinental for the hauling of the trailers and products of Intercontinental are as outlined in a form of agreement between them filed as Exhibit R-2 which is attached as Appendix "A" hereto. Road licences for the Respondent's tractors used in the hauling operations are taken out in the name of Intercontinental, and such route licences as are required for these operations are secured by and held in the name of Intercontinental. The routing of the tractors in the hauling of the trailers and the issue of instructions to the tractor drivers en route as to changes in destination are under the control of the Intercontinental traffic manager. The tractor drivers in the proposed bargaining unit are used in both the interprovincial and intraprovincial road hauling operations described above. These employees are selected and hired and paid by the Respondent and their terms and conditions of employment are established by the Respondent.

We do not consider that the fact that the route licences and tractor road licences are held by Intercontinental is the decisive factor in this case. Intercontinental alone was in a position to secure the special class of route licences that it holds for the transport of its own products and goods but the provision made by Intercontinental for such transport has been to have this handled in toto by the Respondent, subject to such controls of routing and transport en route by Intercontinental as are outlined in the evidence. The Respondent operates under the Intercontinental route licences. The securing of the tractor road licences and the placing and carrying of insurance on the Respondent's equipment by and in the name of Intercontinental and the provisions for the lease of Respondent's tractors by Intercontinental are arrangements which appear to be conditioned by the provisions attaching to the issue of the route and road licences to Intercontinental by the provincial licensing authorities.

The Board is of opinion on the evidence that in fact the Respondent is engaged in the business of hauling the trailers and products of Intercontinental both interprovincially and intraprovincially, and that the employees in the proposed unit are employees of the Respondent who are employed upon or in connection with an undertaking or business connecting one province with other provinces within the meaning of paragraph (b) of Section 53 of the Industrial Relations and Disputes Investigation Act.

The Board finds on the basis of its investigating officer's report following a check of the payroll records of the Respondent and the membership records of the Applicant that at the date of the application, April 12, 1966, there were 13 employees in the proposed bargaining unit, of whom 9 were members in good standing of the Applicant, each having paid the prescribed union membership fee of \$5.00.

The Intervener has filed a petition with the Board dated April 29, 1966, signed by seven of the nine employees claimed as members in good standing of the Applicant, wherein these employees state that they do not want to have the Applicant bargain collectively on their behalf or to represent them in any way in connection with their employment and requesting that the application for certification be dismissed.

The Intervener has also filed in support thereof a photostat copy of a letter dated simply "April, 1966," signed by

the same seven employees, addressed to the Applicant notifying the Applicant that they wished to cancel their membership in the Applicant. The signatures to this letter appear to have been secured in the early part of April 1966. The circumstances under which the signatures to the letter and subsequent petition were secured according to the evidence of the Intervener are set forth hereafter.

Approximately a week after the Intervener had signed as a member of the Applicant and paid his union fee he was called by the Respondent's manager Udell into Udell's office. Udell asked him if he had joined the union and, the Intervener having replied that he had, Udell advanced to him the possible disadvantages of joining the union, including the suggestion that the Intervener might get a lower paid run in the Respondent's operation because of relative seniority if the union came in. Following upon this the Intervener expressed his willingness to co-operate with Udell. Immediately following upon this discussion, the Intervener interviewed and secured the signatures of each of the six other employees who signed the April letter to the Applicant and subsequently secured their signatures to the petition. In securing these signatures, the Intervener advanced to each of these employees, as his reasons for endeavouring to do so, the arguments which had been put forward to him by Udell. He learned in the course of these interviews with his fellow employees that several of them had been interviewed by Udell in like manner to his own interview with Udell.

In the light of the above-mentioned evidence, the Board cannot attach weight to the petition and prior letter as representing the true wishes of the signatories thereof.

Consequently the Board does not consider the petition or the letter as invalidating or disqualifying the evidence of majority membership in good standing furnished by the Applicant, which the Board accepts for the purposes of the application.

The Board finds that the Applicant is a trade union and that unit of employees of the Respondent classified as truck driver, including truck driver/salesman and mechanic, is appropriate and certifies the Applicant as bargaining agent therefor. An Order will issue accordingly.

(Sgd.) A. H. Brown,  
Chairman, for the Board

J. P. Nelligan, Esq., Q.C. for the Applicant.  
J. A. Stack, Esq. )  
Spence Murray, Esq. ) for the Respondent  
H. H. Dahlem, Esq. for the Intervener

Dated at Ottawa, July 19, 1966.

APPENDIX "A"

#### AGREEMENT

THIS AGREEMENT made this            day of January A.D. 1956.

BETWEEN:

CONTINENTAL TRUCKING LTD., of the City of  
Saskatoon, in the Province of Saskatchewan,  
hereinafter referred to as

The Lessor

and

INTERCONTINENTAL PACKERS LIMITED, of the  
said City of Saskatoon, hereinafter  
referred to as

The Lessee

WHEREAS the Lessor is the owner of one White auto-car serial number 40963 and the Lessee is the owner of one Brown Tandem refrigerated trailer serial number 525360.

AND WHEREAS the Lessee desires to lease the said White auto-car for the purpose of hauling its said trailer.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the following terms and conditions which are mutually agreed upon by the parties hereto the Lessor does hereby lease to the Lessee its White auto-car serial number 40963 for the period of two (2) years commencing the 1st day of December 1955:

1. The Lessee will pay to the Lessor as rental under this agreement for the said White auto-car a sum which shall be calculated as follows: Twenty-two cents (.22¢) per mile for each mile travelled by the said White auto-car during the term of this agreement. However, in the event of the said White auto-car being required to make a trip pursuant to this agreement to the Province of British Columbia the rental for each mile travelled on such trip shall be twenty-four cents (24¢) per mile. Payment of the said rental shall be made in the following manner: at the conclusion of each week during the term of this agreement, the number of miles travelled by the said White auto-car during the immediately preceding week shall be calculated by the Lessee and a statement thereof submitted to the Lessor and payment thereof shall be made by the Lessee to the Lessor.

2. The Lessee guarantees to the Lessor that the rental received by the Lessor under the terms of this agreement shall not be less than twelve thousand dollars (\$12,000) per year.

3. The said White auto-car shall during the term of this agreement be used exclusively for hauling a Brown tandem refrigerated trailer serial number 525360 which is owned by the Lessee or such other trailer as the Lessee may designate and for the purpose of transporting the products of the Lessee.

4. The Lessee shall designate to the Lessor the route to be travelled for each trip made by the said White auto-car during the term of this agreement.

5. The Lessee will insofar as the said White auto-car is concerned comply with all rules and regulations of the Highway Traffic Board of the Province of Saskatchewan and with the rules and regulations of any other provincial or municipal authority and will indemnify and save harmless the Lessor and/or his employees from any liability which he or his employees may incur by reason of noncompliance by the Lessee of the said rules and regulations.

6. The Lessee will make application to the Province of Saskatchewan for what is known as a "D" licence covering the said White auto-car and trailer and will place public liability and property damage insurance on the said White auto-car and trailer; the limits of the public liability insurance shall be \$100,000.00 for any one claim and \$200,000.00 for two or more claims while the property damage insurance shall be in the amount of \$10,000.00 unless the parties agree to different amounts. The Lessee shall also place insurance for collision, fire and theft on the said White auto-car and trailer in amounts to be agreed upon by the parties hereto. In the event of damage to the said White auto-car due to collision, fire or theft any monies received by the Lessee for such damage under the policy or policies of insurance shall be held in trust by it for the benefit of the Lessor. Should the damage to the White auto-car due to collision, fire or theft be in excess of the insurance coverage the Lessor will contribute the excess over and above

the insurance for the repair or replacement of the said White auto-car. The Lessor agrees to pay to the Lessee one-half (½) of the cost of the said "D" licence and one-half (½) of the cost of the insurance premiums on the insurance hereinbefore set out. In the event of damage being suffered to the said trailer due to the negligence of the Lessor and/or his employees and the monies from the insurance policy or policies being not paid to the Lessee or an amount being paid which is not sufficient to take care of the said damage, the Lessor will pay the cost of repairing and/or replacing the said trailer or the cost over and above the proceeds from the insurance.

7. The Lessor will at his own expense maintain the said White auto-car in such a condition that it will be operational at all times during this agreement, and will pay the operating expenses such as expenses for gasoline and oil.

8. The Lessor will at his own expense employ competent persons to drive the said White auto-car and a driver shall be available, when such is required by the Lessee.

9. In the event of the Lessor's said White auto-car being unable to operate for any reason whatever or in the event of the Lessor refusing to place said White auto-car at the disposal of the Lessee when same is required by the Lessee, the Lessee may hire the services of a trucking firm or trucker to haul the said trailer until such time as the Lessor's said White auto-car is operational and the Lessor agrees to pay to the Lessee the accounts rendered to it by such trucking firm or trucker. The number of miles travelled by such other trucking firm or trucker when hauling the Lessee's trailer shall form part of the total mileage travelled by the Lessor's said White auto-car for the purpose of this agreement. The Lessor shall, however, be given the opportunity to supply another White auto-car or similar vehicle approved by the Lessee for the purpose of hauling the said trailer and the terms of this agreement shall be applicable to such vehicle. Should the Lessor be unable to forthwith supply such vehicle then this paragraph shall apply.

10. Should the Lessor's said White auto-car be required by the Lessee for the hauling of its trailer outside of the province of Saskatchewan, the Lessee agrees that it will at its own expense obtain all the necessary licences which may be necessary for operation outside of the province of Saskatchewan.

11. The Lessor agrees to indemnify and save harmless the Lessee from any liability which it may incur by reason of the Lessor and/or his employees violating any statute or regulation pertaining to the operation of the said White auto-car on a highway or roadway of any kind. It being of the essence of this agreement that the operation at all times of the said White auto-car and the trailer is the responsibility of the Lessor, and that any persons employed by him in the operation are deemed to be solely in the employ of the Lessor and not to be deemed to be agents or employees of the Lessee.

12. In the event of the said trailer being damaged to such an extent that it cannot operate and the damage being caused by the negligence of the Lessor and/or his employees, the guarantee given by the Lessee under paragraph 2 hereof shall be reduced in the proportion that the number of days during which the said trailer cannot operate for the reason aforesaid bears to the term of this agreement.

IN WITNESS WHEREOF the parties hereto have hereunto affixed their corporate seals attested by the hands of their proper officers in that behalf,











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# CONCILIATION BOARD REPORTS

Conciliation Board Reports in Disputes between

Canadian Pacific Air Lines  
and  
Canadian Air Line Pilots' Association

Canadian Broadcasting Corporation  
and  
National Association of Broadcast Employees and Technicians



A LABOUR GAZETTE SUPPLEMENT

CANADA DEPARTMENT OF LABOUR





## CONCILIATION BOARD REPORTS

Report of Board of Conciliation and Investigation established to deal with dispute between

Canadian Pacific Air Lines  
and  
Canadian Air Line Pilots' Association

The Board of Conciliation and Investigation established to deal with a dispute between Canadian Pacific Air Lines Limited, Vancouver Airport, B.C., and the Canadian Air Line Pilots' Association was under the chairmanship of Dr. Noel A. Hall of Vancouver, B.C. He was appointed by the Minister of Labour in the absence of a joint recommendation from the other two members of the Board, J.G. Alley of Vancouver and R.W. McRae of Toronto, who were previously appointed on the nomination of the company and union, respectively.

The report was received by the Minister of Labour in September.

The dispute arose out of the attempt by the parties to negotiate a revised collective agreement to replace one which expired on March 31, 1966. Through direct negotiations and with the assistance of a conciliation officer, the parties were able to reach agreement on all items with the exception of general holidays and a revised pension plan. The conciliation officer reported that a memorandum of agreement was drafted to cover the items agreed to by the parties, although it was not signed by both parties.

Consequently, a board of conciliation and investigation was established to endeavour to effect an agreement between the parties on those matters not covered by the memorandum of agreement.

The Board met on Wednesday, September 14 and Thursday, September 15, 1966, to hear submissions from the parties. The parties agreed that the Board was properly constituted under the provisions of the Industrial Relations and Disputes Investigation Act. The parties further agreed that the time for submitting the Board's report should be extended to September 23, 1966.

Those in attendance at the hearings were as follows:

On behalf of Canadian Pacific Air Lines Limited: Mr. G.E. Manning, Director of Industrial Relations; Mr. R.B. Leslie, Director of Flight Operations; Mr. Glen Fenby, Manager, Labour Relations; Mr. G.J. Witt, Labour Relations Statistician; Mr. J.D. MacPhail, Milliman and Robertson Inc., Consulting Actuaries.

On behalf of the Canadian Air Line Pilots' Association: Mr. Cleve Kidd, Executive Vice President, CALPA; Captain N.R. White, Chairman, Master Executive Council, CALPA.

At the initial hearing, the parties reported agreement on provisions concerning general holidays. It was further agreed that the only item to be resolved was that concerning a revised pension plan.

After giving careful consideration to the submissions of the parties and having provided full opportunity for discussion and examination, the Board of Conciliation and Investigation unanimously finds and recommends that the collective agreement between the parties be revised to give effect to the following:

1. Items included in a memorandum of agreement drafted by the parties: The Board recommends that the collective agreement be revised to give effect to the items

included in a memorandum of agreement drafted by the parties.

2. General holidays: The Board recommends that the collective agreement be revised to give effect to the agreement reached by the parties concerning general holidays.

3. Pension Plan provisions: The Board experienced some difficulty in determining the exact nature of the dispute between the parties with respect to pensions. During argument before the Board, it became apparent that the parties had reached substantial agreement on the broad outline for a revised pension plan.

The Board is of the opinion that it would be unwise for it to attempt to define in minute detail an appropriate pension plan to be included in the collective agreement between the parties. In setting down items (a) to (k) below, the Board is merely reiterating the broad area of agreement that it believes the parties have reached on the general provisions that ought to be incorporated in a revised pension plan. The parties are aware that a revised pension plan will require of them, and others who may have an interest in it but are not party to the dispute before this Board, a great deal of discussion and negotiation concerning details of implementation and administration.

The parties are in substantial agreement on the following items concerning a revised pension plan:

(a) Eligibility: All employees under age 55 when hired and on the Canadian payroll of Canadian Pacific Air Lines. The plan would be optional for employees in the company's service on the effective date of implementation and compulsory for new employees hired subsequent to the effective date of implementation.

(b) Normal Retirement Age: Age 65 for all employees, except pilots, navigators, flight engineers and stewards, whose normal retirement age is 60.

(c) Early Retirement: When years of service plus age total 85 (80 for air crew) a reduced accrued pension would be payable.

(d) Deferred (Postponed) Retirement: No allowance for deferred (postponed) retirement.

(e) Employee Contributions:  
4.0% of earnings up to the earnings ceiling of \$5,000 per annum established under the Canada Pension Plan.

5.5% of earnings over the earnings ceiling of \$5,000

established under the Canada Pension Plan.

(f) Employer Contributions:

3.5% of participating employees' earnings up to the earnings ceiling of \$5,000 per annum established under the Canada Pension Plan,

5.0% of participating employees' earnings over the earnings ceiling of \$5,000 per annum established under the Canada Pension Plan,

The company shall also contribute from time to time such amounts as are required to increase the assets of the fund to the capital sum necessary to meet the company's obligations under the plan.

(g) Pre-retirement Death Benefit: In the event of the death of any participating employee before his retirement, all contributions made by him, together with accrued interest thereon, shall be paid to his estate.

If the employee had 15 or more years of service prior to his death and his years of service plus attained age at the time of death add up to 60 or more (55 for air crew) a 50% pension shall be payable to a surviving spouse, subject to qualifications with respect to date of marriage, age differential between the deceased employee and the surviving spouse, and provisions of any pension which becomes payable under a government pension plan, but in no event shall the benefit payable to a spouse upon the death of a participating employee be terminated by re-marriage.

(h) Post-Retirement Death Benefit: On a death of a participating employee after retirement, one-half of his pension shall be payable to his spouse during her lifetime, subject to qualifications with respect to date of marriage and age differential between the deceased employee and his spouse.

If the benefits paid under this provision are less than the participating employee's contributions plus accrued interest, the difference shall be paid to his estate.

(i) Termination of Employment: In the event that a participating employee's employment is terminated prior to eligibility for early retirement, his contributions to the pension plan will be refunded, together with accrued interest thereon.

(j) Disability Pension: Every participating employee with at least 15 years of allowable service, whose years of service plus attained age add up to 60 or more (55 for air crew) and who is retired by reason of permanent physical or mental disability shall be paid a pension equal to 50% of his accrued pension at the date of disability, but in no event shall the amount received by him under this provision be less than the participating employee's contributions plus accrued interest at the date of disability.

In the event that the company should introduce a disability income plan separate from the pension plan, the participating employee's pension at the date of disability shall be reduced by an amount equal to that which he is entitled to receive from the disability income plan.

(k) Effective Date: The proposed pension plan to be effective January 1, 1966.

The Board unanimously recommends that the parties draft and sign a memorandum of agreement, to be attached as a supplement to a revised collective agreement, indicating their acceptance of items (a) to (k) above as the basis for introducing a revised pension plan.

4. Pension Plan Provisions--Retirement Benefits and Retroactivity: During argument before the Board, the parties agreed that the only item of disagreement concerning the revised pension plan was that pertaining to retirement bene-

fits for service prior to January 1, 1966. The parties agreed that for service subsequent to January 1, 1966, retirement benefits should be calculated as follows:

(a) 1% for each year of allowable service subsequent to January 1, 1966, for average earnings up to the earnings ceiling of \$5,000 per annum established under the Canada Pension Plan, and

(b) 1½% for each year of service subsequent to January 1, 1966, for average earnings above the earnings ceiling of \$5,000 per annum established under the Canada Pension Plan.

(c) Average earnings for calculating retirement benefits are to be determined on the basis of the last five years of employment or the highest five years of employment, whichever is the greater.

The parties could not agree on the level of retirement benefits to be paid for service prior to January 1, 1966. The company argued that it should be calculated as follows:

1¼% for each year of allowable service prior to January 1, 1966 times average earnings, determined on the basis of the last five years of employment or the highest five years of employment, whichever is the greater.

The Association argued that full retroactivity should be granted at the rate of 1½% for each year of service prior to January 1, 1966.

The parties requested the Board to make a specific recommendation on the question of retirement benefits for service prior to January 1, 1966.

The Board unanimously recommends that the memorandum of agreement, to be attached as a supplement to a revised collective agreement, indicating the parties' acceptance of items (a) to (k) above, include the following provision:

Retirement Benefits and Retroactivity:

For Service Prior to January 1, 1966:

(a) 1¼% for one-half of the participant's years of allowable service prior to January 1, 1966, for average earnings determined on the basis of the last five years of employment or the highest five years of employment, whichever is the greater, and

(b) 1½% for one-half of the participant's years of allowable service prior to January 1, 1966, for average earnings determined on the basis of the last five years of employment or the highest five years of employment, whichever is the greater.

For Service Subsequent to January 1, 1966:

(a) 1% for each year of allowable service subsequent to January 1, 1966, for average earnings up to the earnings ceiling of \$5,000 per annum established under the Canada Pension Plan, and

(b) 1½% for each year of allowable service subsequent to January 1, 1966, for average earnings above the earnings ceiling of \$5,000 per annum established under the Canada Pension Plan.

(c) Average earnings for calculating retirement benefits are to be determined on the basis of the last five years of employment or the highest five years of employment, whichever is the greater.

The Board of Conciliation and Investigation is of the unanimous opinion that the above findings and recommendations will provide a basis upon which the parties can agree to a new collective agreement.

All of which is respectfully submitted.

Dated at Vancouver, B. C., this 17th day of September, 1966.

(Sgd.) Noel A. Hall, (Sgd.) J. G. Alley, (Sgd.) R. W. McRae,  
Chairman. Member. Member.



## Report of Board of Conciliation and Investigation established to deal with dispute between

### Canadian Broadcasting Corporation and National Association of Broadcast Employees and Technicians

The Board of Conciliation and Investigation established to deal with a dispute between the Canadian Broadcasting Corporation and the National Association of Broadcast Employees and Technicians was under the chairmanship of His Honour Judge R.W. Reville of Brantford, Ont. He was appointed by the Minister of Labour in the absence of a joint recommendation from the other two members of the Board, Raymond Caron, Q.C., and Fernand Daoust, both of Montreal, who were previously appointed on the nomination of the Corporation and union, respectively.

The report of the Chairman and Mr. Caron constitutes the report of the Board. A minority report was made by Mr. Daoust. The reports were received by the Minister of Labour in September.

#### Introduction

The National Association of Broadcast Employees and Technicians (AFL-CIO/CLC) was certified as the bargaining agent for the technical employees of the Canadian Broadcasting Corporation by the Canada Labour Relations Board on the 8th of January 1953. The bargaining unit presently numbers approximately 1,785 employees, and since its certification NABET and the Corporation have entered into six collective agreements, of which the last expired on the 31st of December 1965.

During negotiations leading to a new collective agreement, the parties were in mutual agreement about combining previously separate agreements for technical employees (1,723 employees) and the building maintenance group (57 employees) into one agreement. In addition, the Corporation has agreed to recognize the union as the bargaining agent for 7 janitorial employees at St. John's and Corner Brook in Newfoundland and these employees also will be covered by a new collective agreement once it has been negotiated.

Negotiations for a new agreement commenced on November 10, 1965, and after some nine days of meetings, the union requested the services of a conciliation officer. This request was granted by the appointment of Mr. J.S. Gunn, Industrial Relations Officer of the Department of Labour, who then proceeded to meet with the parties on ten separate occasions and was successful in resolving many of the outstanding differences between the parties. However, a wide area of disagreement still remained and he consequently recommended that a Board of Conciliation be appointed, with the result that the Honourable the Minister of Labour duly constituted this Board of Conciliation.

#### Issues in Dispute

This Board of Conciliation first met with the parties at the CBC Headquarters in Ottawa, Ont., on Wednesday, the 13th of July 1966, at which time the parties agreed that the following matters of contention were still outstanding between them:

1. Creation of a new wage classification.
2. Paying of a bonus for bilingual qualifications.
3. Premium pay for non-scheduled overtime.
4. Use of casual, part-time employees in the Northern Service.
5. Corporation's demand for an easement in Article 48 (Jurisdiction) to permit the playback of certain recorded

material over telephone lines by non-bargaining unit personnel.

6. The union's demand for specific language in the agreement to prohibit the cross-assignment of bargaining unit personnel between radio and television, and the combination of job functions.

7. General wage increase.

8. Term of agreement.

9. Retroactivity.

The Board now proposes to deal with these matters in contention, seriatim.

#### Detailed Consideration of Matters in Dispute

##### 1. Creation of a New Wage Classification

The union proposed the institution of a new wage classification to be identified as II (d) and to include the job functions of master control technician, transmitter technician, maintenance technician, technician (T & D Department), technician (Plant Department), and that the wage rate structure for this grade be midway between the proposed rates for the existing groups II (b) and III. It was the union's position that the skill requirement and responsibility quotient of the job functions included in this proposed new wage group are demonstrably greater than the other job functions included in group II (b) and that recognition of this fact could best be made by the creation of a new wage group.

The Corporation's position was that the salary structure for technicians was negotiated with this union and contains a classification, Technician II (b) and that in this classification a number of functions are performed, including those contained in the union's proposal for Technician II (d). It should be pointed out that CBC technicians advance automatically through various salary steps in each classification, regardless of what function or functions they may be assigned, and that its wage provisions provide for merit progression from one classification to the next higher classification, so, consequently, it is possible for a technician II (b) to progress to the group III classification on a merit basis. It, therefore, contended that any anomaly in rates for maintenance technicians was offset by a substantial number of technicians who progress to the higher classification on a merit basis. It, therefore, submitted that its present salary structure was adequate and rejected the union's proposal for a new higher classification for technicians performing particular functions.

The creation of a new classification is an inherent right of management unless the relevant collective agreement between the parties otherwise directs. Under the collective agreement between these parties (Article 3.2) "the selection, direction and determination of the size of the work forces," is expressly reserved to management. This general right is subject only to the provisions of Article 48.1 which reads as follows:

Those portions of the Corporation job specifications relating to the function, job content and accountability of positions occupied by employees included in the bargaining unit are attached hereto for information purposes as Appendix "E". The Corporation agrees to discuss with the Union any changes to these sections of the job specifications. The Corporation also agrees to discuss with the Union the specifications for any new job that has been agreed or adjudged to fall within the bargaining unit. The Corporation recognizes the Union's right to negotiate rates for such new job classifications, as well as job classifications whose specifications are altered in such a way as to reflect a material change in their functions and responsibilities.

It will be noted that there is no restriction on the Corporation's creating new classifications, though it must discuss with the union the specifications for any new job that has been so created and, of course, the union has the right to negotiate rates for such new job classifications. There is, however, nothing requiring the Corporation to create a new job classification and it may refuse to do so at its sole discretion. As already related, the Corporation has not bluntly refused to submit this issue to the Board but, on the contrary, has advanced valid reasons why the union's proposal should be rejected. It is the Board's view, Mr. Fernand Daoust dissenting, that there is insufficient evidence before it to enable it to arrive at a balanced conclusion.

## 2. Paying of a Bonus for Bilingual Qualifications

The union initially proposed that the following provision be added to the agreement: "The Corporation and the union recognize that it is desirable to promote bilingualism among employees of the Corporation. To that end, the Corporation agrees to pay 50 per cent of the cost of a course in either the French or English language, whichever may be applicable. The Corporation further agrees that an employee who possesses or acquires reasonable efficiency in both English and French shall be paid a premium of 5 per cent of his basic salary."

During negotiations, management indicated that under the present Corporation policy, an employee can obtain 50 per cent of the cost of a language course in English or French "under certain circumstances." Despite this assurance, the union continued to insist that the Corporation policy be clarified and incorporated in the agreement. In connection with the proposal for premium pay for bilingualism, the union indicated that it would accept as an alternative to a percentage increase mentioned above a flat annual bonus of \$250, payable initially for the year commencing the 1st of July 1967. The Corporation indicated that during negotiations it expressed to the union its general sympathy with its concern with the problem of bilingualism, but owing to the lack of any official pronouncement on the subject by the Federal Government, it had to take the position that the union's request was premature at that time. However, since negotiations, the Corporation has itself enunciated an official policy

on that subject and it filed with the Board a draft communication to staff entitled "French/English Language Job Requirement" dated at Ottawa, Ont., the 13th of July 1966, thus coinciding with the first session of this Board, which reads as follows:

Following consideration of the question of bilingualism in the Corporation and its application to certain job requirements, the following policy has been adopted as the basis for the recognition of a second language requirement, where applicable:

"The Corporation recognizes the principle that a higher compensation will be paid in future in respect of certain positions in the CBC in which there is requirement for a knowledge of both languages and where both are used in the performance of duties."

To this end a study has been undertaken, both internally and externally, to determine the circumstances and conditions where such consideration should be given in the CBC and to establish the type of compensation called for to deal with the various conditions applicable in the Corporation. When these studies are completed, the results will be translated into a more detailed and specific corporate policy and the compensation will be extended, where applicable, to all staff concerned at that time.

Following this announcement and the filing of the document with the Board, the union expressed its pleasure that the Corporation had adopted a definitive policy, though at the same time regretting that its policy had not been more specific and had not expressly spelled out the compensation which should be accorded to bilingual employees. It also expressed concern that the implementation of the Corporation's policy might be unduly deferred by the studies undertaken by the Corporation and referred to above, especially as the union is to play no part in such studies.

It will be seen that the union's position in this issue is that an employee who is bilingual should receive premium pay for his bilingualism, *per se*, while the Corporation policy as announced is that an employee who is required to be bilingual because of the position he holds should be entitled to additional compensation, but the amount of such compensation will be determined by the outcome of studies which have already been instituted. It is the Board's view, Mr. Fernand Daoust dissenting, that, while bilingualism *per se* is to be highly commended and encouraged, the Corporation should be required to reward its bilingual employees only when their bilingualism is a job requirement. The question of what such special remuneration should amount to would depend on the language requirements of the job position, the linguistic skills of the employee and the extent to which he is required to employ those linguistic skills, and such conditions precedent can only be determined after the Corporation's study has been completed. A majority of this Board, however, suggests that the union be consulted from time to time by management as its studies of the problem develop, so that the union will be in a position to advise those of its members who are concerned, what progress is being made.

## 3. Premium Paid for Non-Scheduled Overtime

The union's original proposal was that any extension of the posted shift after 10 a.m. of the previous working day should be compensated at the basic rate in addition to overtime compensation provided in the agreement, with a minimum credit of one hour. At the conciliation officer stage of



the proceedings, the union modified this proposal as follows:

Any extension of the posted shift of which twelve (12) hours' advance notice has not been received shall be compensated at one-half ( $\frac{1}{2}$ ) the basic rate in addition to overtime compensation provided in Article 8, with a minimum credit of one (1) hour.

In its brief presented to this Board, the modified proposal of the union is again slightly different, reading as follows:

Any extension of the posted shift made after twelve (12) noon on the previous working day shall be compensated at one-half ( $\frac{1}{2}$ ) the basic rate in addition to overtime compensation provided in Article 8, with a minimum credit of one (1) hour.

It is clear that the union is seeking to protect members of the bargaining unit from dislocation of their personal plans and private lives which non-scheduled overtime requirements occasion. It is not at all clear whether the union is insisting on this proposal as constituting a deterrent in the form of a penalty on management for setting unscheduled overtime or whether it is really seeking additional remuneration in the form of a penalty when its members' lives are disrupted by unscheduled overtime.

Regardless of the motives behind the union proposal, which well may be mixed, it should be noted that the Corporation's business is of such a nature that it is obliged to operate seven days a week and in some areas twenty-four hours a day, and that a fixed program output must be maintained in a given area with available staff and facilities. Consequently, when delays are encountered, due to whatever cause, it is not always possible to re-schedule additional time for the production of a particular program on another day or at another time, as this would encroach on time already allotted to another production. In this connection, the Corporation is at the mercy of its producers who, generally speaking, are more concerned with the excellence of the program than with the cost to the Corporation.

It seems obvious, therefore, that employees of the Corporation must recognize that long and irregular hours are a hazard of employment. This is not to say, however, that employees are bereft of protection, in that Article 16 contains elaborate provisions concerning the posting of schedules, Article 17 provides for change of scheduled day off, Article 18 provides for work on day off, Article 19 provides for change of starting time, Article 21 provides for overtime pay computation, Article 22 provides for night shift differential, Article 23 provides for hours and scheduling of work-film assignments. Finally, Article 7.1 provides: "The Corporation shall not repeatedly assign excessive hours of work to employees." Consequently, employees have recourse to the grievance procedure for any claim that, as a result of either scheduled or non-scheduled operations, they have been repeatedly assigned excessive hours of work.

The Corporation has stated that it is deeply sensible of the problem and is just as anxious to eliminate unscheduled overtime as is the union, and to this end is conducting a study with a view to minimizing the incidence of unscheduled overtime. It contended, however, that the very nature of its business, because of factors peculiar to the broadcasting industry, makes it impossible to entirely eliminate non-scheduled overtime. This Board, Mr. Fernand Daoust dissenting, therefore feels that the Corporation should not be further penalized by operating conditions it can restrict but cannot entirely prevent.

#### 4. Use of Casual and Part-Time Employees in Northern Service

This union request involves the deletion of the present Article 36.2.2 of the collective agreement, which reads as follows:

The existing practice of engaging continuing casual employees in excess of five (5) calendar weeks at Northern Service locations and Monitor Stations shall continue. A continuing casual shall be paid for actual time worked in hours, otherwise, he shall receive all the benefits of this Agreement except those depending on length of service.

The CBC Northern Service was established when a number of radio stations were acquired in the northern part of Canada to service the people of the Yukon and Northwest Territories and the northern parts of the provinces. These radio stations are located at Yellowknife, Inuvik and Frobisher Bay in the Northwest Territories; White Horse, Yukon Territory; Goose Bay, Labrador; and Fort Churchill, Manitoba. Each of these stations operates with a minimum staff consisting of five or six announcer-operators and one or two technicians, who are all in the bargaining unit.

The Corporation was and still is experiencing great difficulty in recruiting and training suitable permanent staff for these stations, either locally or from outside the area. Locally it has been very difficult to find people with suitable qualifications and acceptable educational standards. Outside the area, the problem is to attract suitable employees who are prepared to accept the isolation, living conditions, housing problems and social life that exist at these remote northern locations. The Corporation, therefore, found it necessary to employ a number of casual employees on a continuing basis at these stations in order to continue its program operation. For the most part, these casual employees are people who are otherwise employed in the Government service, armed forces, etc., and are available for only short periods of time such as evenings and weekends.

The union, recognizing the Corporation's difficulty in staffing these remote locations in the Northern Service, agreed to the inclusion of Article 36.2.2 in the collective agreement as set forth above. The union now, however, contends that the need for these casual employees no longer exists because the Corporation has been able to build up a staff complement of regular full-time employees in the Northern Service and to discontinue, for the most part, the use of "continuing casuals" on a part-time basis. The union, therefore, contends that the continuance of Article 36.2.2 of the collective agreement is now being used by the Corporation to avoid the filling of existing vacancies in a regular establishment and to evade the provisions of the agreement.

In answer to the allegations of the union made on the opening day of the sittings of this Board, the Corporation made further enquiries and presented the Board on the second day of the sittings with up-to-the-minute information concerning the employment of casual and part-time employees in the Northern Service. This information established that in all six centres of the Northern Service there are only two casual, part-time employees, one at Whitehorse in the Yukon Territory and one at Goose Bay, Labrador, while at Yellowknife in the Northwest Territories a permanent employee has been transferred to Edmonton for summer relief and his position has been filled for the summer with a temporary employee. However, the employee transferred to Edmonton



for summer relief will be returning to Yellowknife at the end of the summer season. There is one vacancy in the establishment at Fort Churchill, Man., due to a resignation. However, the Corporation is presently interviewing prospective employees.

On this evidence, it is clear that the employment of casual, part-time employees by the Corporation does not present a serious problem for the union, especially as all casual and part-time employees must be members of the union and pay union dues and receive all benefits of the collective agreement except those depending on length of service. The Board, Mr. Fernand Daoust dissenting, therefore can see no compelling reason at the present time for the discontinuance of Article 36.2.2.

#### 5. Easement of Jurisdiction Article

This Corporation request involves the expansion of or exception to the provisions of Article 47.1.5, which refers to the union's jurisdiction over audio and video recordings, etc., as further expanded and widened by the unanimous report of a joint Union-Management Committee known as the "NAGRA Committee," which was set up as a result of recommendations of a prior board of conciliation.

At the commencement of the current negotiations, the union proposed that the whole practice of recording and editing of tapes by non-NABET personnel be scrapped, thus eliminating the need for the arrangement established by the NAGRA Committee report. Management countered with this demand, among others, because at the conciliation officer stage of the negotiation proceedings, the union agreed to continue the arrangement established by the NAGRA Committee report, and the parties drafted an appendix to the agreement spelling this out. The parties, however, were unable to agree on the Corporation's request that the arrangements be further expanded to allow program personnel who are required, in the normal course of their duties, to transmit both reports and other information from remote locations back to the studio for on-air use by means of closed circuit facilities, telephone, two-way radio, etc., to augment such reports and other information by playing back material they have recorded. The union opposed this Corporation request on the grounds that it would deprive its members of employment in this area.

The Corporation rejected the union's contention, contending that the point in issue was merely the method of relaying recorded material from a remote location to the studio, which is not presently done by NABET technicians and is not within the union's jurisdiction, and that no displacement of technicians is contemplated by allowing program personnel to play back material which they have already recorded, as no technician is required on such assignments, and the Corporation is merely seeking a more expedient and effective means of transferring program material of this nature back to its studio for on-air use. The Board, Mr. Fernand Daoust dissenting, can perceive no jeopardy to the union's jurisdiction in the Corporation's request and no reason for not granting it.

#### 6. Prohibition of Cross-Assignment of Bargaining Unit Personnel Between Radio and Television

Expressed briefly, these proposals are designed to prevent the Corporation from assigning technicians between radio and television operations and/or of combining job functions so that employees classified as technicians (general,

sound) cannot be allowed to perform any function of employees classified as technicians (general, TV) and vice versa. These union demands arise, at least in part, out of the assignment in Edmonton on a regular basis of employees classified under the job specifications of technician (general, sound) to perform the duties outlined under the job specification of technician (general, TV), and at the same time the assignment of employees classified under the job specification of technician (general, TV) to perform the duties outlined under the job specification of technician (general, sound).

The union grieved this action by the Corporation and the grievance was processed to arbitration, and by an award dated the 5th of October 1965, the majority of the Board dismissed the grievance on the principal ground that "nowhere in the agreement can there be found a prohibition against such cross-assignment." It is true, as the union contends, that there are separate and distinct job classifications for technician (general, sound) and technician (general, TV).

However, it should be noted that both job specifications contain the following wording: "May perform the duties of other technical classifications of the same or lower grouping." In this connection, it should be pointed out that both of these classifications are included in the same salary group, Group II-b. It should further be noted that the minimum starting requirements for both classifications are the same, namely, high school graduation, one year technical training or technical high school graduation, and two to four years' experience in electrical, electronics, broadcasting or related industry. Both parties were agreed that of all new employees in both classifications, most have completed a three-year technical course at either the Ryerson Polytechnic Institute in Toronto or the Technical Institute at Montreal.

The Corporation submitted that for a number of years it had been the established practice to cross-assign technicians at numerous locations in the areas of maintenance, sound effects, transmitting operations and maintenance, summer relief operations, audio recording, simulcasts, setup and operation of microwave and FM communications equipment. The Corporation further contended that, while it was not contemplating extending the assignment of technicians between radio and television to any degree across the country, it should not be prohibited by language in the agreement from making practical and economical use of qualified staff when the situation warrants either cross-assignment or the combination of job functions.

Considering these arguments and counter-arguments, it should be noted that Article 48.1 protects the union, should the Corporation alter its job specifications in such a way as to reflect a material change in their functions and responsibilities. Furthermore, the provisions of Article 48.2 protects the union in that management has agreed that it will not in the future combine the job functions of technician (general, sound) and technician (general, TV) simultaneously in such a way as to materially affect the work load of employees involved without discussion with the union at the national level.

In view of these built-in safeguards for the union and in view of the necessity for the Corporation's being enabled to make the most practical and economical use of qualified staff if a situation warrants such a course, and in view of the fact that there is no evidence that the Corporation has ever assigned technicians from one field to the other without regard to their qualifications to perform the necessary work, this Board, Mr. Fernand Daoust dissenting, feels that there is no need for any amendments to Article 48 of the collective



agreement, other than those on which the parties may have already agreed.

#### 7. General Wage Increase, Term of Agreement, Retroactivity

The Board finds it convenient to discuss these three issues between the parties at one and the same time. At the outset, it should be remarked that the only area of unanimity between the parties was that the agreement, when negotiated, should expire June 30, 1968. Both parties were agreed that the new collective agreement extend beyond Canada's centennial year and the period of Expo 67.

The union's original demand was for a 35-per-cent general wage increase over a two-year period, which was subsequently reduced at the conciliation officer stage of the proceedings to a 27-per-cent general wage increase over a 30-month period. At the outset of the proceedings before the Board, the union announced that in view of certain recent wage settlements involving employees of certain Government-controlled and Crown Corporations, such as Air Canada, St. Lawrence Seaway Authority and Polymer Corporation, as well as the recently negotiated settlement between the Shipping Federation of Canada and the International Longshoremen's Association, in which settlement the Government of Canada took a leading and decisive part, it had been forced to revert to its original position, demanding a 35-per-cent general wage increase over a term which was still negotiable. It then proceeded to file a mass of statistics designed to support its position.

The Corporation, on the other hand, contended that its present salary scales were entirely adequate when compared with Canadian average wages and salaries generally, and the salaries paid for similar jobs in industry, including private broadcasting stations, and while the ever-accelerating cost of living might justify moderate salary increases, there was no evidence whatsoever to justify the union's demand, which it termed excessive and unrealistic. It, too, filed a mass of statistics designed to support its position on the wage issue.

The Board does not propose in this Report to analyze or compare the statistics produced by the parties or to challenge their respective validity, nor does the Board intend to issue any moral judgments concerning the merits of the parties' respective positions. Certainly if the cost-of-living factor were the only consideration, annual wage increases in excess of 5 per cent could hardly be justified, especially since the Economic Council of Canada stated in its Second Annual Review "that sustained high employment and sustained progress towards the economy's 1970 potential will depend to a very important degree on the maintenance of an adequate measure of price and cost stability."

This, of course, inevitably involves an adequate measure of wage stability. However, recent developments in the form of the settlements referred to by the union clearly indicate that such wage stability may be impossible of attainment as the Government of Canada has given its blessing, impliedly in certain cases and specifically in others, to wage settlements that average 9.616 per cent per annum, while in the two wage settlements in which the Government of Canada directly intervened to achieve a settlement, the annual percentage increase granted was 15 per cent. It may well be that special circumstances induced the Government of Canada to approve these two substantial settlements, nevertheless they have been considered, rightly or wrongly, as a Government-approved guideline for other unions seeking settlements in the year 1966, and more particularly for other unions

representing employees in Government-controlled public service agencies and Crown corporations.

This Board has already stated that it does not propose to deal in moral issues, nor does it propose to embark on a consideration of a mythical "just" wage. It considers its function rather to make realistic recommendations that the parties can accept as a basis for a negotiated settlement and therefore it proposes to make recommendations that not only take into consideration the accelerated cost-of-living index but also the impact of the Government-induced or approved settlements above referred to.

#### Recommendations

On the basis of all the evidence adduced before it, and the detailed conclusions at which it has arrived on the basis of that evidence, a majority of this Board of Conciliation. Mr. Fernand Daoust dissenting, respectfully makes the following recommendations to the parties for the resolution of their several disputes:

1. That the union's request for the creation of a new wage classification be withdrawn.

2. That the union's request for premium pay for bilingualism be deferred pending the implementation of the Corporation's announced policy in this respect.

3. That the union's request for premium pay for non-scheduled overtime be withdrawn.

4. That the union's request for the prohibition of the employment of casual and part-time employees in the Northern Service be withdrawn.

5. That the Corporation's request for an easement of the provisions of Article 47.1.5 to permit the playback of recorded material over telephone lines by non-bargaining unit personnel be granted.

6. That the union's request for the prohibition of cross-assignment of bargaining unit personnel between radio and TV and its request for the prohibition of the combination of job functions of technicians (general, sound) and technicians (general, TV) be withdrawn.

7. That the parties enter into a new collective agreement for two years, dated the 1st July, 1966, and expiring on the 30th June, 1968, providing for general wage increases as follows: 1st July, 1966 - 7.5 per cent, 1st January, 1967 - 7.5 per cent, 1st October, 1967 - 7.5 per cent, such wage increases to be non-cumulative. The first wage increase only shall be retroactive to the 1st January, 1966, on the rates set forth in the Wage Schedule, Article 33.

Fernand Daoust, Esq., union nominee, is submitting a minority report.

All of which is respectfully submitted.

(Sgd.) R.W. Reville,  
Chairman.

(Sgd.) Raymond Caron,  
Member.

Dated at the City of Brantford, Ontario,  
this 31st day of August, A.D. 1966.

#### MINORITY REPORT

Before commenting on the majority report and recommendations of the Chairman, His Honour Judge R.W. Reville, and the Management Nominee, Mr. Raymond Caron, Q.C., I wish to express, in the strongest terms, my dissatisfaction with the procedure they followed in arriving at their recommendations.

I am particularly disappointed and distressed that the Chairman did not see fit to consult with, or advise me of the final form the wage recommendation was to take, and did not return my repeated phone calls over a period of many days prior to his departure for Europe.

The wage recommendations contained in the majority report are not the recommendations which I had been repeatedly assured would be contained in the report, and to which I agreed. My first knowledge of the amended wage recommendation came from the Management Nominee, Mr. Caron, after the Chairman, Judge Reville, had left the country, thus denying me the opportunity of discussing the matter with him or ascertaining the reasons for the change.

It may, or may not, be of significance that the substantial reduction in the wage recommendation appears to have been made by the Chairman and the Management Nominee during the nation-wide railway strike. Whatever the reasons, I believe simple courtesy and, more importantly, the observance of minimum standards of proper procedure entitled me, at the very least, to prior advice. Therefore, my recommendation on wages shall be that which I understood would be contained in a majority report having my concurrence.

The unexpected and unexplained negative modification in the majority report's wage recommendations also requires a review and adjustment of my position on other of the recommendations. I shall deal with these in the order in which they are set out in the majority report.

#### Creation of a New Wage Classification

I dissent from the majority view that this proposal be rejected and recommend that this matter be referred to a joint union-management committee of experts, chosen by the parties, to consider this and other related problems and to make recommendations accordingly so that such problem could be resolved amicably and mutually during the lifetime of the new collective agreement, thus obviating the use of either the grievance procedure or the negotiation procedure to solve such problems in the future.

#### Payment of a Bonus for Bilingual Qualifications

I dissent from the majority recommendation which rejects the union proposal for payment of a premium of 5 per cent per annum or, alternatively, \$250 per annum to employees "who possess or acquire reasonable proficiency in both English and French."

The Corporation's statement of policy with regard to bilingualism is vague in many aspects, and lacks firm commitments. It is highly important, in an organization that plays such a vital role in the cultural life of Canada, that the matter should not be postponed indefinitely while further studies are undertaken. Indefinite postponement would be, in effect, a negative answer to an urgent need. The question as to whether bilingualism should be rewarded only when specifically required for a specific job is a dangerous question and implies that bilingualism, which is the acquisition of reasonable proficiency in both of Canada's two official languages, may not be for CBC a highly desirable goal for its employees. As a Crown Corporation, and, moreover, as a Canada-wide institution of public information, education and entertainment --operating in both of Canada's language and cultural groups-- the CBC has a special obligation to lead, not to follow, in this regard. Such an achievement should be

encouraged by all proper means.

I therefore recommend in favour of the union proposal.

#### Premium Pay for Non-Scheduled Overtime

I dissent from the majority recommendation which rejects the union proposal for a premium of one-half basic hourly pay, in addition to overtime compensation, for non-scheduled overtime.

I believe the union made a strong case, and logic and equity support their demand that such overtime work should be paid at a higher rate than scheduled overtime, that is, overtime of which the employee has adequate prior notification.

The Corporation's undertaking before the Board that it would conduct a study "with a view to minimizing the incidence of such overtime," while perhaps well intended, is patently meaningless and ineffectual unless an incentive to inhibit such scheduling practices is introduced into the agreement.

I therefore recommend in favour of the union proposal.

#### Use of Casual and Part-Time Employees in Northern Service

In view of the evidence presented by the Corporation at the Board hearing, which established that serious efforts had been made, and were continuing, to maintain a full complement of full-time personnel at the Northern Stations, and being convinced of the Corporation's good faith in this regard, I concur in the majority recommendation.

#### Easement of Jurisdiction Article

I dissent from the majority recommendation which grants the management demand for an easement in Article 47.1.5 to permit non-bargaining unit personnel to play back certain recorded material over telephone lines.

One thing that strikes me forcibly is that the Board majority feels itself competent to recommend a substantive change in so sensitive and complex an area as jurisdiction --where such change is requested by Management-- and yet dismisses earlier in its report the union's proposal for the creation of a new wage classification on the grounds that "there is insufficient evidence before it to enable it to arrive at a balanced conclusion."

I feel there was insufficient evidence presented by the Corporation to justify any alteration whatsoever in the jurisdiction of the union, particularly in view of the fact that, as noted by both parties, the whole question of the utilization of portable tape recorders and the editing of audio tapes had been the subject of a lengthy and intensive joint union-management study, established as a result of the recommendation of a previous Board of Conciliation, presided over by His Honour Judge J. C. Anderson.

I do not think it proper for this Board to make a recommendation which will have the effect of altering or invalidating in any respect the solutions already arrived at by the parties.

I therefore reject the management demand.

#### Prohibition of Cross-Assignment of Bargaining Unit Personnel Between Radio and Television

I dissent from the majority recommendations and recommend that this matter be referred to a joint union-management committee of experts, chosen by the parties, to



undertake a study and arrive at a solution during the life of the new collective agreement.

General Wage Increase, Term of Agreement,  
Retroactivity

I dissent from the majority recommendation on these matters and, as stated above, my recommendations are those which I was assured would be contained in a majority report having my concurrence, as follows:

1st July, 1966 - 9.5 per cent

1st January, 1967 - 9.5 per cent

1st July, 1967 - 9.5 per cent

such increases to be cumulative, the first wage increase to be retroactive to January 1st, 1966, on total earnings of employees, with the result that such wage increase applies to overtime and any other premiums or allowances which are based on wages. The collective labour agreement to be entered into between the parties shall expire on the 30th of June, 1968.

This recommendation is supported by the following considerations:

(a) There is a need for adjustment of wage scales to higher levels in view of the educational standards, technical competence and responsibility for equipment and successful programming placed upon employees in the bargaining unit.

(b) Previous increases negotiated by the union have not kept pace with the general advance of wages accorded skilled workers in the Canadian economy.

(c) There is a disparity between wage rates of Canadian and American network technicians, being almost 50 per cent lower in Canada, which is much greater than in other industries.

In conclusion, I feel obliged to state that the proceedings of this Board have created serious doubts in my mind as to the efficacy of the conciliation board process as now practiced under existing legislation, especially when boards of conciliation have to deal with disputes where the employers are Crown Corporations responsible to the Government of this country, and where, in most of the cases, the chairmen are appointed by the Federal Minister of Labour. In these instances, it is quite clear that the Government is at the same time the judge and the party. It is evident that tremendous political pressure could, behind the scene, be exerted on the chairmen of these boards.

All of which is respectfully submitted.

(Sgd.) Fernand Daoust,  
Member.

Dated at Montreal, Que.,  
this 9th day of September, 1966.













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International Association of Machinists and Aerospace Workers

United Press International of Canada  
and  
Canadian Wire Service, Local 213 of the American Newspaper Guild



A LABOUR GAZETTE SUPPLEMENT

CANADA DEPARTMENT OF LABOUR





## CONCILIATION BOARD REPORTS

Report of Board of Conciliation and Investigation established to deal with dispute between

Baton Broadcasting Limited  
and  
National Association of Broadcast Employees and Technicians

The Board of Conciliation and Investigation established to deal with a dispute between Baton Broadcasting Limited, Agincourt, Ont., and National Association of Broadcast Employees and Technicians was under the chairmanship of His Honour Judge Walter Little of Parry Sound. He was appointed by the Minister of Labour on the joint recommendation of the other two members of the Board, G.S.P. Ferguson, Q.C., and Miller Stewart, both of Toronto, who were previously appointed on the nomination of the company and union, respectively.

The unanimous report of the Board was received by the Minister in October.

The Honourable J.R. Nicholson  
Minister of Labour  
Ottawa, Canada

Pursuant to the provisions of Section 28(4) of the (Industrial Relations and Disputes Investigation) Act, you appointed His Honour Judge Walter Little, upon the joint recommendation of the other two members, as a member, and Chairman, of a Conciliation Board to endeavour to effect an agreement between the above-mentioned parties respecting the terms of a collective agreement governing conditions of employment, on and after January 10, 1966, the former agreement having expired on January 9, 1966.

The nominee of the company was Mr. G.S.P. Ferguson, Q.C., of Toronto, Ont., and the nominee of the union was Mr. Miller Stewart of Toronto, Ont., and Sturgeon Point, Ont.

The Board met the parties at Toronto, Ont., on June 17, 1966, at which time the following representatives of the parties attended.

The company--Messrs. H.L. Morphy, Counsel; W.O. Crampton, Vice-President and General Manager; L. Nichols, Vice-President, Finance; and D. Davis, Production Manager.

The union--Messrs. John H. Osler, Q.C., Counsel; Kenneth A. Steel, International Representative and Region 7 Chairman; Fred Melsted, Unit Chairman; Les Meszaros, Vice-President; Maury Jackson, Recording Secretary; Mike Hughes; and Don McAdam, Committee Members, all of Local 71, Toronto.

The union brief indicated that the areas of dispute were (1) Wages, (2) Paid Holidays and Length of Vacation, (3) Payment of Overtime, and (4) A new classification proposed by the company. We will briefly summarize the union proposals on the three requests made by it.

#### 1. WAGES

A wage increase substantially beyond the increase in the cost of living was requested. A company offer of 3% and 3% for each year of a two-year contract was termed "completely unacceptable".

The brief compared the rates paid to NABET members at CFTO-TV with those paid to ANG members at CFCF,

CHCH, CKLW and WBEN. The top rate for Group 5 (Supervisory Group) at CFTO was \$25.50 per week lower than the top rate for News Editor in the ANG unit, while at the other stations listed rates between the two units are equal. In addition the new contract at CFTO for the ANG unit calls for 5% increases in each year of a two-year contract (1966-1967) for News Editors and News Writer Reporters.

A comparison was made between the rates paid CFTO technicians and those in effect in United States and the differential was claimed to be "very nearly 63% to 76%". It also claimed top rates are achieved in a shorter time in United States than at CFTO.

Finally, although "most other stations of this size and the CBC have had pension plans for some time which require the company and the employee, both to pay 5% of base pay into the plan," the union was prepared to accept only the Canada Pension Plan at this time, preferring that substantial wage increases be granted.

#### 2. VACATIONS AND PAID HOLIDAYS

At present an employee receives two weeks vacation after one year of service and one additional day's leave for each additional year after ten, so that after fourteen years of service he receives three weeks vacation. The union sought three weeks after one year of service.

Eight paid holidays a year are included in the present contract, and the union sought one additional paid holiday.

#### 3. PAYMENT OF OVERTIME

No premium pay is presently paid, other than night differential for hours of work between twelve midnight and seven a.m. for working evenings and weekends.

The union sought double time for unscheduled overtime (that is overtime assigned at the tail-end of a shift) and stated this was in existence at CKLW (Windsor) and CHCT (Calgary).

#### 4. THE COMPANY'S POSITION

The company's only demand was for two new classifications: Senior and Junior Television Technicians. In the Senior group those assigned would be able to perform, and

would be assigned to numerous functions, while the Junior technicians would be trainees who would reach their top scale in two years, instead of four. They would move up to Groups 2 and 3 as assigned after two years. (This exists in CBC at Montreal.)

The company also proposed shortening the period of qualification for the top scale rate in Group 1 for all categories therein to two years, while it would place the Senior Technician in Group 3, although the individual functions are those listed in Group 2.

The union claimed in its brief that it had not clearly understood the company's position with respect to a new classification, but in general opposed the company request.

The company opposed the overtime request because the occurrence of unscheduled overtime was mostly beyond the company's control. It was true double time was paid in Windsor and Calgary, but neither was a producing centre.

Finally, with respect to the request for a wage increase, the company stressed the fact that advertisers in the Toronto area have several choices when deciding from which station to buy "on air time," namely CBLT (CBC Toronto) and CHCH (Hamilton) as well as Channels 2, 4 and 7 in the United States. Its rates were already higher than CBLT in Group 2 (category of over 50% of employees) and it could not remain competitive if it increased that differential.

As far as producing shows and commercials was concerned it competed with Hamilton stations as well as R. L. Lawrence Productions and its present wage rates compared favourably with those paid by these competitors.

The Board explored the possibility of a negotiated settlement at the meeting on June 17, but it was soon obvious that a realistic approach to the problems could not take place until a settlement or otherwise of the dispute involving this union and the CBC had occurred. It was therefore decided with the consent of the parties to adjourn the hearings until August 18, 1966 and to request the Minister of Labour to extend the time for receiving the Board's report to September 1, 1966. The latter request was subsequently made and granted.

Prior to August 18, the Chairman ascertained that the CBC Board had met in July, but its report had not been submitted to the Department and it was doubtful if it would be received by August 18. The Chairman on behalf of the Board consulted Mr. C. L. Dubin, Q. C., and Mr. J. H. Osler, Q. C., Counsel for the company and union, respectively, as to the possible value of a meeting on August 18 and it was agreed that the Chairman should adjourn the hearings until September 15 and request the Minister of Labour to again extend the time for receiving the Board's report to a later date, which was suggested as October 1, 1966. This request was subsequently made and granted.

The Board again met with the parties on September 15, at which time the same representatives were present except that Mr. Dubin was present as counsel for the company in the place of Mr. Morphy, while Gordon Wells, the new Unit Chairman for the union, and David Callahan replaced Mr. Melsted and Mr. Hughes respectively. Mr. Les Meszaros, who was listed by the union as having appeared on June 15, apparently did not do so, but was present on this occasion.

At this meeting it was learned that the CBC and the union had failed to resolve their differences and that majority and minority reports had been submitted by Board members. In the majority report the Chairman and the Corporation Nominee had recommended a total wage increase of 22.5% for a thirty-month contract, payable as follows: 7.5% July 1, 1966; 7.5% January 1, 1967; and 7.5% October 1, 1967. The

increases were to be non-cumulative and the initial increase was to be retroactive to January 1, 1966.

The minority report on wages, which it was claimed had originally been agreed to by the Chairman, recommended cumulative increases of 9.5% on each of July 1, 1966, January 1, 1967 and July 1, 1967 with the original 9.5% to be retroactive to January 1, 1966. (The cumulative effect would raise the amount of the second and third suggested increases to 10.4% and 11.3% on the original base.)

This Board endeavoured to effect a settlement but the company took the position that it had to have a concession from the union on its demand for the new classification, but in any event could not appraise the situation realistically until it knew what the CBC settlement was to be. Discussions between the CBC and the union were apparently not scheduled but would not likely be held until after the results of a strike vote being taken by the union were completed on September 26.

The union could see no reason why a realistic appraisal of the issues could not be made, but would not discuss the matter of new classifications except in the context of wage proposals based on the contents of the CBC majority and minority reports. It was indicated to the Board that the union considered a figure between the amounts suggested in the said majority and minority reports to be realistic under the circumstances.

It was again apparent to the Board that a settlement could not be made on September 15, but it was also the unanimous opinion of its members that if a settlement was made at CBC this dispute could be resolved. Mr. Osler on behalf of the union voiced strong objections to a further adjournment and said that as no settlement had been made the Board should file its report by October 1. The company, on the other hand, felt an adjournment should be ordered until it was known whether the CBC intended to take a strike or settle, and if it settled, what that settlement was.

The Board then unanimously decided that there should be an adjournment, but only for a limited period. The parties were accordingly requested to hold in reserve for a meeting September 29, 30 and October 1. If the Board felt, from information which it hoped would be available immediately after September 26, that a further meeting on one of those three days would be of value, it would convene such a meeting. If not, the Board would itself meet to discuss the contents of its report and would issue it as speedily as possible. It would be necessary, however, for it to again request the Minister of Labour to extend the date for filing the said report, with the suggested date being October 15. The Chairman subsequently made such request and it was granted.

The Chairman was informed on September 24 that the company had re-assessed its position and it was suggested that a further meeting might produce results. A meeting was accordingly scheduled for September 29.

At that meeting the same representatives were present as on September 15, with the addition of Mr. John Bassett, President of the company. A comprehensive proposal to settle all the issues was made, which included a substantial wage increase in each of the three years of the proposed contract, a change in statutory holiday benefits and a provision for three weeks vacation after seven years of service. It is also provided for the new classification requested by the company.

The proposal was thoroughly discussed with the parties, with the result that a tentative agreement settling the issues was reached subject to agreement on wording by counsel and



subject to ratification by the union membership. It was agreed, however, that the proposals would not be submitted for approval until a settlement had been reached between the union and the CBC, which appeared to be imminent. The meeting accordingly adjourned on the understanding that the Board would remain available on September 30, at which time it would be decided if another meeting would be necessary on that day or October 1.

The Chairman consulted counsel and Board members on September 30 and it was the consensus that no further meeting was necessary at that time.

A membership meeting of the union was held on October 5 and the Chairman was advised on October 7 that the tentative agreement had been completely ratified and a collective agreement would be entered into embodying its terms.

All of which is respectfully submitted.

(Sgd.) Walter Little,  
Chairman, on behalf of and  
with the authority of all  
Board members.

Dated at Parry Sound  
this 7th day of October 1966.

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Report of Board of Conciliation and Investigation established to deal with dispute between

Air Canada  
and  
International Association of Machinists and Aerospace Workers

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The Board of Conciliation and Investigation established to deal with a dispute between Air Canada and Lodges 1751 and 714 of the International Association of Machinists and Aerospace Workers was under the chairmanship of R.G. Geddes of Toronto. He was appointed by the Minister of Labour on the joint recommendation of the other two members of the Board, H. McD. Sparks of Montreal and Peter Podger of Streetsville, Ont., who were previously appointed on the nomination of the company and union, respectively.

The report was received by the Minister of Labour in October.

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REPORT OF THE CHAIRMAN

The Conciliation Board, Mr. H. McD. Sparks, employer nominee, Mr. P. Podger, union nominee, and Mr. R. G. Geddes, Chairman, met with the representatives of the parties on several occasions in Montreal and Toronto.

Before the briefs were read and the usual arguments made, the Conciliation Board was told by the representatives of the parties of several unique features of the negotiations which led up to the appointment of the Board.

The parties began negotiating well before the "open period" of the collective agreement and arrangements for the Board's hearings were made before application was filed for conciliation and, of course, before the Board was appointed. Also, the parties proposed and it was arranged that the intervention of a conciliation officer would be waived.

The representatives of the parties advised that these special steps were taken to avoid delay, which would aggravate an already ominous situation. A spokesman for the union succinctly described the circumstance by saying "a miracle is needed if this one is to be settled without a strike." Company spokesmen agreed.

The cause of the parties' pessimism is standard but is unusual because of its degree. The union members have set minimum financial goals that far exceed the maximum the company conceivably will be willing to pay.

The union proposed a one-year agreement with a general wage increase of 20% plus additional "fringe" costs amounting to approximately 22%.

At no time did the union committee suggest that the union's final position for settlement would be significantly less than the proposed figures and in fact union spokesmen advised that these figures could not be materially reduced if the union membership were to ratify a settlement. An indi-

cation of the mood of the members was given when a union spokesman advised that the committee had been criticized by a significant number of members for asking "too little" following the drafting of the union's proposals. Union spokesmen also advised that two years would be the maximum term the union would consider, in which case the wage settlement would have to be about 40% plus fringes.

The majority of the Conciliation Board therefore has concluded (without the concurrence of the union nominee) that the expectations of the union's membership are too high in this dispute and that their present views about the amount of the wage increase will need to be modified before settlement can be reached.

The company has made a wage offer which will be discussed further along in this Report. It is sufficient to say here that the company's offer will need to be increased before settlement can be reached.

The union's members are for the most part highly skilled individuals with responsible jobs. The average length of their service with the company seems to be more extended than is that of the employees of most companies. They are perhaps at a higher intellectual level than employees in comparable classifications in most companies. There was no indication of any unusual animosity toward the company among them. Their leaders are competent. Their union is long established and respected.

Considering all these facts, it would seem that the members of this bargaining unit should normally hold realistic opinions about the amount of the wage increase it is possible for them to obtain in any one year as a result of their union's negotiations.

Why then does it seem unlikely that they will (in their present frame of mind) ratify a sensible wage increase and probable that they will insist that their union press for an

extravagant wage settlement during this round of negotiations?

Undoubtedly there are many factors affecting their thinking. One of the most important it seems to us is the impression, probably held by them and certainly held widely in Canada, that the federal Government has established a guideline approving wage increases of 30% over a two-year period (20% for the first year and 10% for the second) for employees of the Government as well as Government-controlled agencies and companies in particular and perhaps for other unionized workers as well.

If the employees affected by these negotiations do hold such an opinion about the Government's wage policies, and this Board believes that many of them do, it probably accounts in large part for their insistence upon a wage settlement in the order of 20% for one year in addition to very substantial fringe cost increases.

Since it is not true that the Government has set a policy or established a guideline approving 30% wage increases over two-year terms, then how could such an impression have gained widespread credence?

There were two widely publicized labour disputes last spring and summer that resulted in wage increases of this magnitude and that probably were responsible for causing the illusion.

A strike of 4,200 longshoremen in the St. Lawrence River ports of Montreal, Trois Rivières and Quebec began on May 9 and was settled on June 14, 1966. The settlement gave the men 80¢ an hour (about 30%) wage increases over a two-year term.

A Government-appointed mediator intervened in the dispute and the Deputy Minister of Labour worked from time to time with this mediator. Before settlement was reached, no less than five Cabinet Ministers as well as the Prime Minister were reported to have taken part in the discussions.

It was reported that the Government had brought all of its influence to bear on the Shipping Federation (representing the employers) before the extraordinary settlement was made. Whether or not this was true, there is little doubt that it was because agreement was reached only after discussions involving so many leading Government figures that the illusion was conceived that the Government had established a wage guideline during this dispute.

Of course the Government had done no such thing, and an examination of the record shows that it did not. What the Government did do (and nothing more) is that it properly shouldered the responsibility for urging settlement of a strike that was having disastrous consequences.

Before it was ended, the strike had already begun to have serious national and international implications. The ports involved were being throttled. The paralysis of Quebec grain handling facilities would have affected the shipment of wheat to overseas customers. Further delay of materials for the construction of Expo '67 (which had reached a critical stage) was unthinkable. All manner of Canadian citizens, companies and endeavours were being affected. The news media were demanding settlement. The strike had to be terminated.

The Government had the alternative of bringing all of its influence to bear on the parties to settle or of establishing compulsory arbitration. It chose not to impose compulsory arbitration and the strike was settled at the figure given.

There were certain factors that could serve to rationalize the size of the settlement. One half (20¢) of the first wage increase was expressly earmarked for increased productivity.

(This is now in contention.) The workers affected have only seasonal employment. The number of workers involved was small in relation to the impact of their strike on the economy.

Two days later, on June 16, 1966, the Prime Minister announced in the House of Commons that agreement had been reached with the Canadian Brotherhood of Railway, Transport and General Workers representing the operators and headquarters personnel of the St. Lawrence Seaway Authority numbering about 1,200. The term of the agreement was two years and the wage increases were 20% for the first year and 10% for the second year.

The agreement was announced one day before a strike deadline and was approved by a Cabinet committee because the President of the Seaway Authority refused to accept responsibility for wage increases of this magnitude.

In this instance an important consideration was used to rationalize these exceedingly high increases. This consideration was the extreme disparity between the wages of Canadian seaway workers and the wages of the U.S. seaway worker. After the full 30% has been applied in January 1967, the Canadian machinist on the Seaway will receive 31¢ an hour less than his U.S. counterpart, assuming that the wages of the U.S. workers remain static.

Once again, however, it was the exceptional degree of collective bargaining pressure that these workers could bring to bear that caused the Government (this time the employer) to make an extraordinary wage settlement. Following the longshoremen's strike, a strike of the seaway workers must have been considered intolerable. Most of the same factors were involved and in addition the effect on United States shipping had to be considered. By settling this dispute, the Government once again rejected compulsory arbitration.

In each of these two cases the Government was severely criticized for acting expediently. This could be sensibly argued. In both of them the Government was severely criticized for rejecting compulsory arbitration, which was considered by some to be the lesser of the alternative evils. This, too, could be sensibly argued.

That the Government action constituted the establishment of a wage guideline or policy could not be sensibly argued, for it is nonsense. Sensationalized reporting and careless editorial writing in the news media and opportunistic statements by opposing politicians resulting from these two settlements have contributed to a situation that is dangerous to the Canadian economy. In this dispute we are faced with a typical reaction from the workers involved.

There is not and never was a Government policy or guideline for wage increases amounting to 20% for one year or 30% for two, and if an opinion to the contrary has caused these union members to press for an extravagant wage settlement, perhaps when they accept the truth of the matter their attitude will modify.

The union, however, did make a persuasive case for wage increases in excess of the company's offer. This case rested on the usual criteria such as maintenance of real purchasing power, increased productivity, wage increases in other bargaining units, wage comparisons with both Canadian and United States workers, and so on. In particular and most convincing was their argument concerning the extraordinary degree of skill required of many of their members and the need for constant study and retraining to keep abreast of the advanced technology of the industry. They gave several impressive descriptions of the skills and responsibilities of some of the trades involved here, indicating that the requirements of these jobs far exceed the



norm required by industry in general.

Also they indicated that the exceptionally skilled and responsible personnel in these trades are unfairly paid in comparison with the employees in other bargaining units of this Company, i.e., pilots, agents, and so on.

The parties must settle this dispute without resorting to extremes if free collective bargaining between them is to continue. This is urgent. Following on the heels of the longshoremen's strike, the Seaway dispute, the railway strike and subsequent developments, it is crystal clear that in this case in particular the interests of the parties will be best served by a responsible amicable settlement.

If the company can take no comfort from what happened in the longshoremen's and seaway cases, the union can take no comfort from what has happened since. We refer to opinions expressed so widely in the news media, which are critical of extravagant wage settlements; the comments of certain Cabinet Ministers about the public's impatience with strikes; and the speeches of other Cabinet Ministers as well as the Prime Minister urging wage and price restraint. All of these things are indicative of a tougher wage line in Canada.

This union and the company have already demonstrated that they are willing to go beyond the ordinary in their attempts to settle this matter. The unique fact that this Report will be issued within a few days of the expiry date of the collective agreement is one indication of their special concern with this dispute.

However, it is well known that some collective bargaining disputes simply cannot be settled short of a strike. Despite the best efforts of the parties and their good-faith bargaining, their points of view are so widely divergent as to make peaceful settlement impossible. The negotiators in this dispute are acutely aware that this may be that kind of a situation.

The spokesmen for both parties are well experienced in collective bargaining and will leave no stone unturned in their efforts to avoid a strike. They understand that in this kind of situation the most effective bargaining takes place and the need to compromise is most urgently felt when the strike deadline is immediately approaching. They, therefore, have asked the Board to issue its Report and then, when it is timely, to return as mediators. The following exchange of letters between them concerns this request.

(COPY)  
AIR CANADA

October 3, 1966

Mr. M. Pitchford  
Chairman, Joint Negotiating Committee  
Lodges 714 and 1751  
International Association of Machinists & Aerospace  
Workers  
Room 304, Place St. Laurent  
790 Laurentian Blvd., St. Laurent, P.Q.

Dear Mr. Pitchford:

As a result of our discussions, this will confirm that we are in agreement with the following.

If our dispute is not resolved as a result of the Conciliation Board Report, the Board members will be requested by us to act as post Conciliation Mediators. The fees and expenses of Mr. Geddes will be shared equally between us.

The members of this Board who have already been exposed to lengthy argument on the issues of both parties, would appear to offer the greatest hope of bringing the parties together in an eventual settlement.

This special prior arrangement is considered appropriate in view of the national importance of this dispute, the complexity of the issues and the critical nature of labour relations in Canada at this time.

Yours truly,

'F.C. EYRE' (sgd.)

F.C. Eyre  
Director of Industrial Relations.

cc: Mr. R.G. Geddes  
Mr. H. McD. Sparks

TRANS OCEANIC LODGE 1751  
International Association of Machinists and Aero Space  
Workers  
Room 304, 790 Laurentien Boulevard  
Montreal 9, Quebec

Area Code 514  
747-2070

Montreal, Quebec,  
October 3, 1966.

Mr. F.C. Eyre,  
Director of Industrial Relations,  
Air-Canada,  
Place Ville Marie, Montreal, Que.

Dear Sir:

Further to our discussions on the desirability of securing the services of the Conciliation Board to act as mediators in the event the membership rejects the Board report and consequently sets a strike date.

We can now confirm we are in favour of obtaining their participation in the role of mediators, as they are, in our opinion by virtue of their present assignment, fully familiar with the many complicated issues which are still in dispute between us.

We are prepared to pay the full costs of our nominee, Mr. P. Podger, and also 50% of the full costs of the chairman, Mr. R.G. Geddes.

We are advising Mr. Podger and Mr. Geddes of this request by copy of this letter.

Sincerely yours,

'M. PITCHFORD' (sgd.)

M. Pitchford  
Chairman Joint Negotiation Committee  
Lodges 1751 and 714 I.A.M.A.W.

cc: R.G. Geddes      M. Rygus  
P. Podger          D. Davies

The representatives of the parties have emphasized to the Board that the last-ditch efforts to settle the dispute, the final mediation, will take place with the three members of the Conciliation Board acting as mediators. If the dispute has not then been settled, they can face their principals and the public confident in the knowledge that they have done everything possible to resolve the issues.

During the conciliation proceedings there was little useful bargaining done on the principal money issues. The long hours of meetings served a useful purpose, however, since, during them, all of the issues were clearly defined, some of them were settled, and others narrowed. A description of the dispute as it stood on the date of the adjournment of the last hearing follows:

### Union Proposals

#### U.1 General Increase

The union has proposed a general wage increase of 20% for one year for all classifications.

The company has offered a 40-cent wage increase over a three-year period to be paid as follows:

November 1, 1966	8¢
May 1, 1967	8¢
November 1, 1967	6¢
May 1, 1968	6¢
November 1, 1968	6¢
May 1, 1969	6¢

#### U.2 Special Adjustments to Rates of Pay and Progression

The union has proposed special increases for certain classifications and the shortening of various salary scales.

While agreement has been reached on some adjustments to rates of pay and length of salary scales, the following remain outstanding:

#### (A) Maintenance Department

##### 1. Mechanical Trade Categories

Year	Current		Company Offer		Union Proposal	
	Class	Rate \$	Class	Rate \$	Class	Rate \$
1 1st 6 mos.	*L.1	1.56	L.1	1.65	L.1	1.74
2nd 6 mos.	L.2	1.65	L.2	1.74	L.2	1.88
2 1st 6 mos.	L.3	1.74	L.3	1.88	L.3	1.97
2nd 6 mos.	L.4	1.88	L.4	1.97	L.4	2.10
3 1st 6 mos.	L.5	1.97	L.5	2.10	L.5	2.24
2nd 6 mos.	L.6	2.10	L.6	2.24	L.6	2.38
4 1st 6 mos.	*JM.1	2.24	JM.1	2.38	JM.	2.67
2nd 6 mos.	JM.2	2.38	JM.2	2.58	JM.	2.67
5 1st 6 mos.	JM.3	2.52	JM.3	2.67	M.1	2.94
2nd 6 mos.	JM.4	2.67	JM.4	2.82	M.1	2.94
6	*M.1	2.94	M.1	2.94	M.2	3.17
7	M.2	3.05	M.2	3.05		
8	M.2	3.05	M.2	3.05		
9	M.3	3.11	M.3	3.11		
10	M.3	3.11	M.3	3.11		
11	M.3	3.11	M.4	3.17		
12	M.3	3.11				
13	M.4	3.17				

\* L--Learner; JM--Junior Mechanic; M--Mechanic.

#### 2. Detail Materials Inspector

Year	Current		Company Offer		Union Proposal	
	Class	Rate \$	Class	Rate \$	Class	Rate \$
1 1st 6 mos.	1	2.15	1	2.15	1	2.33
2nd 6 mos.	2	2.24	2	2.45	2	2.57
2 3rd 6 mos.	3	2.33	3	2.75	3	2.81
4th 6 mos.	4	2.43	4	3.05	4	3.05
3 5th 6 mos.	5	2.52				
6th 6 mos.	6	2.62				
4 7th 6 mos.	7	2.73				
8th 6 mos.	8	3.05				

#### 3. Special Adjustments for Certain Classifications

The union has proposed that the rates of the following classifications be increased by \$10.00 per month. The company has agreed but with the provision that the extra \$10.00 be paid after one year of service.

Aircraft Tractor Driver	Janitress
& Crane Operator	Labourer
Cleaner (Engine Parts)	Licensed Fireman
Helper	Fireman
Cleaner	Tool Room Issuer
Janitor	

The company has also offered to increase the starting rates for Tool Room Issuer in line with the union request but not to shorten the scale.

#### (B) Station Services Department

##### 1. Station Attendant Classification

Year	Current		Company Offer		Union Proposal	
	Steps	Rate \$	Steps	Rate \$	Steps	Rate \$
1 6 mos.	1	1.95	1	2.00	1	2.13
6 mos.	2	2.01	2	2.12	2	2.27
2 6 mos.	3	2.13	3	2.25	3	2.39
6 mos.	(4)	2.27	4	2.39		
3 6 mos.	(4)	2.27	5	2.53		
6 mos.	(4)	2.27				
4 6 mos.	(4)	2.27				
6 mos.	5	2.33				

#### (C) Purchases & Stores Department

##### 1. Storeman Classification

Year	Current		Company Offer		Union Proposal	
	Steps	Rate \$	Steps	Rate \$	Steps	Rate \$
1 6 mos.	1	1.59	1	2.00	1	2.12
6 mos.	2	1.76	2	2.12	2	2.25
2 6 mos.	3	1.94	3	2.25	3	2.39
6 mos.	4	2.12	4	2.39	4	2.53
3 6 mos.	5	2.25	5	2.53		
6 mos.	(6)	2.39				
4 6 mos.	(6)	2.39				
6 mos.	7	2.53				



### U.3 Longevity

The union has proposed 1 cent an hour for each year of service up to a maximum of 10 cents an hour. The company has declined this request.

### U.4 Shift Premium

The union has proposed that shift starting times be defined as follows: day 7:30 to 8:30 a.m.; afternoon 3:30 to 4:30 p.m.; night 11:30 p.m. to 12:30 a.m. The union has requested also that the afternoon shift premium be increased from 11 to 20 cents an hour, the night shift premium from 18 to 25 cents an hour and that an irregular shift premium of 30 cents an hour be introduced for all shifts starting outside the times described above.

The company has declined to change the shift starting times but has offered to increase the afternoon premium to 13 cents an hour and the night premium to 20 cents an hour. The company has also offered a 25-cents-an-hour irregular shift premium for any shift commencing or terminating after 2 a.m. or before 6 a.m. in lieu of other shift premiums.

### U.5 Week-End Premium

The union has proposed a week-end premium of 30 cents an hour for all hours worked on regular scheduled shifts between midnight Friday and midnight Sunday, in addition to any other applicable shift premium.

The company has declined this request.

### U.6 Overtime Premiums

The union has proposed that overtime rates be increased as follows:

- (a) time and one-half to read double time;
- (b) double time to read triple time.

The company has declined this request. Other contractual changes to Article VI (B)--Overtime are also outstanding.

### U.7 Reduced Work Week

The union has proposed a reduction of the standard work week to 37½ hours.

The company has declined this request.

### U.8 Statutory Holidays

The union has proposed two additional holidays for a total of ten.

The company has offered to include a ninth holiday in the agreement.

### U.9 Union Passes

The union has proposed priority "C" passes for all union delegates travelling on union business and a NOC system pass for General Chairmen.

The company has offered to raise the present "D" pass priority to "C" priority for union business involving the company; all other requests to remain "F" priority. The company has declined the request for NOC system pass for General Chairmen.

### U.10 Safety & Health

Agreement was reached on this item September 30th as follows:

It was agreed to amend Article 15 (J) as follows:

#### (J) Safety & Health

1. While the question of safety is of paramount importance to all personnel, first line supervisors and their assistants are specifically charged with the duty of initiating and monitoring all practices necessary to ensure the safety and health of employees as well as ensuring the safety of all equipment.

2. A safety representative will be established by the union at Montreal, Toronto, Winnipeg and Vancouver to assist in resolving safety matters and will function as outlined below.

3. An employee, observing what he believes to be a hazard, will report the matter to his supervisor, or refer it to his steward who will discuss it with the supervisor. Safety matters of a general nature may also be initiated by the steward. If the matter is not resolved the steward may call upon the safety representative to handle the matter further with the supervisor. The safety representative will arrange with his supervisor to be released for this purpose.

4. Where the steward and safety representative are not satisfied that they have been able to effectively deal with the situation, it may be referred to the Shop Committee. The Shop Committee may process the matter directly to the second level of the appeal procedure, and the safety representative may participate.

It was further agreed that the above procedure will be considered as being on a trial basis for the duration of this agreement.

### U.11 Medical Coverage--Dorval Base

The union has requested 24-hour medical coverage at the Dorval Base.

The company has declined this request.

### U.12 Time Credits on Account of Shift Changes

Agreement was reached September 30 on this item as follows:

It was agreed to add the following paragraph to Article VI (A).

6. When an employee is changed from one work schedule to another, and is scheduled to work one or more of what would have been his days off (as provided for by his former work schedule) he will be given special compensation for such days as follows:

(a) First day worked--straight time.

(b) Second and subsequent consecutive days worked--time and one half.

or, granted the aforementioned previously scheduled day(s) off.

If overtime is involved on such days, time recording will be in accordance with that which applies on a scheduled work day.

### U.13 Shop Inspectors in View Room--Dorval Power Plant Shop

The union has proposed that Category 11 Shop Inspectors be established in the View Room of the Power Plant shop, Dorval.

The company has declined this request.

#### U.14 Category Descriptions

The union has proposed a change to the work description of Category 8 to reflect technological change.

The company has proposed that a special committee composed of company and union representatives be set up to assess the total question of technological impact on Categories 8, 16, 22 and recommend any necessary changes.

#### U.15 Scheduled Advancement--Mechanics in Non-Aircraft Categories

The union has proposed that Categories 23, 24, 25 and 37 be allowed to progress to the 8th year mechanic scale.

The company has offered the proposed change for Categories 23 and 24 but has declined the request for Categories 25 and 37.

#### U.16 Annual Vacation

The union has proposed three weeks vacation after five years and four weeks after ten years. The union has also asked that vacation credits apply in the current year qualified.

The company has offered three weeks vacation after five years but has declined the request for four weeks after ten years of service. The company has also declined the request for vacation credits to apply in the current year qualified.

#### U.17 Group Life Insurance for Temporary Employees-- Pension Plan General

(A) The union has proposed that temporary employees be included in the Group Life Insurance Plan.

The company has offered that all temporary employees be included in the plan after one year subject to a satisfactory medical status and their assessment as to suitability for permanent employment.

(B) The union has proposed the following:

1. One additional IAM representative on the Pension Committee.
2. Exemption of overtime and shift premiums from pension contributions.
3. The right to withdraw 25% of the commuted value of pension after age forty-five and ten years service.
4. Optional retirement at age sixty without reduced pension benefits.

The company's position is that the Pension Plan is administered by the Pension Committee and is not negotiable under the existing rules of the Plan.

#### U.18 Crew Chiefs in Charge of Maintenance Crews

The union has proposed to have crew chiefs in charge of aircraft maintenance crews.

The company has declined this request.

#### U.19 Work Schedules

This item was withdrawn by the union prior to conciliation.

#### U.20 Grievance Procedure

The union has proposed that Shop Stewards be included at the first level of the appeal procedure and that the Chair-

man of Regional Committees be allowed to travel to out-bases to process grievances.

The company has declined both requests.

#### U.21 Sub-Contracting

Agreement was reached September 30 on this item as follows:

Change Article XV General Provisions (I)--Sub-Contracting to read as follows:

##### (I) Sub-Contracting

The company agrees to advise the union, in writing, in those cases where it has decided to sub-contract work. This advice will be handled as follows:

1. Under circumstances where a sub-contract involves a base or station, the Supervisor responsible for the function will advise the Shop Committee at a base or the steward at a station, as applicable.

2. Under circumstances where a sub-contract involves more than one base or station, the appropriate department will advise the Committee of General Chairmen.

It is recognized that the changing requirements of the airline do not permit any guarantee of a minimum time between deciding to sub-contract and its actual commencement. However, it is also recognized that as much prior advice as possible is desirable and every effort will be made to provide two weeks advice before actual sub-contract. This advice will contain such information as the number of units or services involved, anticipated duration, reasons for the sub-contract as applicable.

As a result of past experience, a general statement of present policy is that sub-contracting will only be resorted to in situations such as the following:

- (a) To finalize development of a proprietary unit;
- (b) Where the nature or volume of the work is such that it does not justify the capital or operating expenditure involved;
- (c) Where the nature or volume of the work is such that undesirable fluctuations in employment would automatically result;
- (d) To meet an emergency condition.

The above situations refer to normal airlines operational functions only and do not refer to items which are normally obtained from manufacturers or suppliers.

The company further agrees that prior to any layoff the General Chairman may request a review of any existing "sub-contracting" with a view to re-assessment of the practicability of performing the work within the company.

#### U.22 Duration of Agreement

The union has proposed a one-year agreement.

The company has offered a three-year agreement.

#### Management Proposals

##### M.1 Revise Titles of Classification 30 & 31

Agreement on this item was reached prior to conciliation.

##### M.2 Revise Titles of Classification Lead & Ramp Agent

Agreement on this item was reached prior to conciliation.



### M.3 Cargo Warehouse Organization

Agreement on this item was reached prior to conciliation.

### M.4 Hours of Work

The company has proposed that a definition of "Work Schedule", "Work Schedule Change", "Shift" and "Shift Change" be included in the agreement. The company has also requested that changes to work schedules or shifts be made following discussion with the union at the local level.

The union has declined both requests.

### M.5 Overtime

The company has proposed the addition of a note to clarify the source of selection for overtime. The company has proposed also that the overtime limitations introduced by the Canada Labour (Standards) Code be included in the agreement.

The union has declined both requests.

### M.6 Check-off of Union Dues

The company has proposed that deductions of union dues be discontinued in the case of long-term temporary assignments (beyond 12 months) to a management position.

The union has declined this request.

### M.7 Lead Aircraft Inspectors & Aircraft Inspectors

Agreement was reached on this item prior to conciliation.

### M.8 Commissary Agent Classification

Agreement was reached on this item prior to conciliation.

### M.9 Grievance & Discipline Appeal Level

Agreement was reached on this item prior to conciliation.

### M.10 Company Sick Leave Plan

The company has proposed that employees who leave work account illness less than four hours after reporting to work for duty be debited for time lost and employees who leave work account illness more than four hours be credited the full day.

The union has declined this request.

### M.11 Union Activities

The company has proposed that a new article be included in the Agreement to control the amount of time spent on union activities.

The union has declined this request.

### M.12 Station Attendant--Movement of Aircraft

The company has proposed that Station Attendants perform aircraft towing and push-out operations within the limits of the Passenger and Cargo Terminals due to the new loading bridges.

The union has declined this request.

### M.13 Assignments to Continental U.S.A.

This item was withdrawn prior to conciliation.

All of which is respectfully submitted.

(Sgd.) R. G. Geddes,  
Chairman.

Toronto, Ontario, October 19, 1966.

### REPORT OF COMPANY NOMINEE

I am in agreement with the Chairman's report concerning the special features of this dispute, and the extreme difficulty that is going to be encountered in securing a mutually satisfactory settlement. However, I believe that, in the interests of furthering such a settlement and bearing in mind all the evidence and statistics that have been presented to this Board, I must make a recommendation on the question of wages.

The company has offered a total of 40 cents an hour across-the-board over the life of a new agreement. The question of the term of the new agreement is dealt with below. The company has also offered special wage adjustments to certain classifications as well as improvements to fringe benefits averaging another 9 cents an hour. This makes a total package of 49 cents an hour.

I believe it has been demonstrated that the wages paid to skilled personnel in this bargaining unit compare favourably with the better paying industries in Canada and are in excess of the general averages. The same can be said for the overall level of fringe benefits.

The company has indicated its willingness and desire to match the wage increases which are being granted in these industries. A review of the pattern of increases currently being granted in these industries indicates that the company's offer of 40 cents an hour plus classification adjustments and fringe improvements is appropriate and is in line with the pattern.

It is therefore my recommendation that, bearing in mind all the circumstances, 40 cents an hour plus certain classification adjustments and fringe improvements be the basis of a new agreement.

On the question of term, the company has suggested three years and the union is holding to its original proposal of one year. However, it is my belief that both parties are prepared to compromise on the duration of the agreement and that this question can best be resolved in direct negotiation between them.

One other issue that affects the wage settlement is the question of the timing of the general wage increases within the term of the new agreement. The company suggested making the adjustment at six-month intervals but there appeared to me to be flexibility on the company's part, and it is my opinion that this issue also can be resolved satisfactorily by the parties.

In view of anticipated further mediation, no specific recommendation is being made with respect to the term of the agreement and timing of the wage increases.

(Sgd.) H. McD. Sparks,  
Member.

## REPORT OF UNION NOMINEE

The central issue in this collective bargaining dispute is the wage package. There are, of course, many other non-economic and fringe items in issue, but I too am impressed by the competence of the negotiators to settle these once the pivotal issue of wages is brought into focus.

My purpose, therefore, in this report is to speak to the merits of the wage issue in the hope that it will be helpful to the resolution of it. I do not think, for instance, that the union, on behalf of its members, hung its hat, at any time, on the longshoremen or seaway settlements as being indicative of Government wage guidelines in transportation contracts. They did, of course, use these settlements to re-inforce their claim that a wage increase of 20% was justified on multi-faceted considerations spelled out elaborately for the Board. These reasons included:

1. Increased Skill and Responsibility--The skill and responsibility required of the industry's mechanics has increased proportionately with the rapid introduction of highly complex and sophisticated equipment. Employees require continuous training to keep abreast with jet-age navigational and electronic systems. Computerization has placed a greater responsibility on mechanics for the safety of the passengers. It is a fact that the flight characteristics and control of the aircraft each day are depending more on the competence and care with which the mechanic performs his function.

2. Productivity--Air Canada productivity has advanced far in excess of other industry generally. The union's brief sets out to show (Tables 12--Annual Air Canada Reports) that for the ten-year period 1955 to 1965 productivity has increased substantially, as follows:

1. Available seat miles per employee increased by 183 per cent--or 11.1 per cent per annum.
2. Revenue passenger miles per employee rose by 163 per cent--up 10.2 per cent per annum.
3. Revenue ton miles per employee rose by 161 per cent--up 10.1 per cent per annum.
4. Total operating revenue per employee increased 122 per cent--up 8.3 per cent per annum.
5. Available ton miles per employee rose by 195 per cent--up 11.5 per cent per annum.

Productivity does appear to have increased much more rapidly than increased labour costs, which on the average have increased something less than 60 per cent during the same 10-year period.

3. Improvement in Real Wages for Air Canada Employees--The expectations of Air Canada employees are geared, I am sure, to a knowledge, among other things, of the fact that their real purchasing power has not improved vis a vis the rising cost of living. In the last contract two 4-per-cent wage increases were negotiated. In that same time, covering the period from the expiry of the last contract until August 1966, the Consumer Price Index rose 7.1 per cent. By the time the contract expires it is safe to say that there will be no appreciable improvement in real wages as a result of the last wage settlement.

4. Parity with U.S. Airlines--There is little doubt that Air Canada employees are aggravated by the fact that there is such a wide wage gap between them and other large North American airlines. They are conscious of the fact that other Air Canada employees, notably the Flight Attendants (Stewardesses) currently enjoy U.S. wage parity. They

are annoyed at times by personal exposure to the fact that Air Canada employees stationed in U.S. airports are compensated on a basis equal to their American counterparts, and by the fact that U.S. airline employees stationed in Canada, doing the same jobs, are paid American rates.

Taking into account the recent U.S. airline settlements, which include a 3-cent-an-hour cost-of-living projection in 1967 and 1968, the following table represents the average straight-time hourly earnings difference between Air Canada and the five major American airlines. (Eastern, National, Northwest, Trans World and United). The American settlement was for three years, with the first increase retroactive to January 1, 1966. The figures quoted do not include any adjustment for the shortening of the wage progression schedules, or for longevity pay.

Average Straight-Time Hourly Earnings Comparison

Date	Air Canada	U.S. Airlines	Diff. %	¢
January 1, 1966	2.73	3.41	-25%	-.68¢
January 1, 1967	?	3.61	-32%	-.88¢
May 1, 1968	?	3.82	-40%	-1.09¢

It can be seen from the above that a 20-per-cent wage increase would bring wages at Air Canada to approximately \$3.27 per hour. However, in about two months time American wages will increase to \$3.61 or about 34 cents ahead of Canadian rates, on the average.

Much has been said in recent months about the justification, or lack of it, for the maintenance of the gap between Canadian and U.S. wages. Formerly it had been considered one of the ineradicable facts of North American economic life. The Second Annual Report of The Economic Council of Canada, published in December 1965, seriously questioned the basis for the continuance of the spread.

Generally, on page 51 it had this to say:

The persistence of this gap is difficult to understand, especially in the light of at least three important developments that should have contributed to a narrowing of the gap. Compared with the United States, Canada over this period has had relatively (1) a larger shift of manpower from low earnings levels in agriculture to higher earnings levels in other sectors of the economy; (2) higher levels of capital investment -- especially in the postwar period -- and more rapid growth in capital stock per employer worker; and (3) a more rapid rate of increase in total population.

The same report on page 54 went a long way to dispel the myth that a higher cost of living in the U.S. was justification for some form of wage disparity, i.e.

... it would appear that the over-all difference in average price levels -- at least in the area of consumer prices -- is not very large. The current study of the Dominion Bureau of Statistics suggests that there are widespread differences between the two countries in the average levels of prices of various groups of products and services. For example, average prices of clothing are somewhat lower and average prices of automobiles appear to be significantly lower in the United States. On the other hand, the average prices of services used by consumers are considerably lower in Canada. On balance, food prices appear to be somewhat higher in the United States, although this is not true of every



group of food items. Moreover, both services and food, which tend to cost less in Canada, account for a substantial share of the total spending of a typical family. Although the DBS study is not yet complete, the initial results indicate that the over-all averages of current price levels in the two countries appear to be fairly close together. Average prices in Canada, in fact, appear to be about two or three per cent lower than in the United States for approximately two-thirds of the "consumer expenditure basket" for which preliminary comparisons have now been made. It is therefore reasonable to assume that differences in average levels of money income between the two countries can be taken as an approximate measure of the differences in the average levels of real income. It should be pointed out that in this comparison, no adjustment is made for the exchange rate; the differences in the levels of prices are taken already to reflect any effects of the exchange rate on the domestic price levels, and hence on real incomes, within the two countries in 1964.

Whether Canadian-based companies like it or not there is a definite trend taking place in Canada toward U.S. wage parity. The recent steel settlements at Hamilton and Sault Ste. Marie not only attained partly with American steelworkers, but in many cases Canadians will earn somewhat more. Historically these settlements have affected a large number of associated companies so that a definite pattern appears inevitable in this important sector of Canadian manufacturing. Similarly, the steelworkers at the Inter-

national Nickle Company in Sudbury recently achieved wage parity with their giant counterparts in Huntington, Virginia. This settlement will accordingly have an impact on related industry.

It is no secret that the U.S. - Canada Automobile trade agreement has contributed to the UAW's announced intention to achieve wage parity in the Canadian automobile industry in 1967. This major UAW objective, if attained, which in my opinion is most likely, will to a large degree make Canadian - U.S. parity a reality in the many industries connected with automobile production.

It is for the foregoing reasons that I do not think the union's demands on wages are too high or unrealistic. Apart from the company's ability to pay, with or without Government assistance, there can be no cogent claim that the union is asking too much too soon. Even after the implementation of a 20-per-cent wage increase, the union would still have to pick up 55¢ an hour by May 1968 to win total wage parity. A one-year agreement with a wage increase of 20 per cent would allow employees to substantially close the gap in 1966 and permit both sides to scrutinize further wage developments in Canada toward American parity.

All of which is respectfully submitted.

(Sgd.) P. Podger,  
Member.

Dated at Streetsville, Ont.,  
this 15th day of October 1966.

Report of Board of Conciliation and Investigation established to deal with dispute between

United Press International of Canada  
and

Canadian Wire Service Guild, Local 213 of the American Newspaper Guild

The Board of Conciliation and Investigation established to deal with a dispute between United Press International of Canada Limited and Canadian Wire Service Guild, Local 213 of the American Newspaper Guild, was under the chairmanship of R. G. Geddes of Toronto. He was appointed by the Minister of Labour on the joint recommendation of the other two members of the Board, H. McD. Sparks of Montreal, and Christopher Crombie of Toronto, who were previously appointed on the nomination of the company and union, respectively.

The report was received by the Minister in October.

The Conciliation Board, H. McD. Sparks, employer nominee, C. Crombie, union nominee, and R. G. Geddes, Chairman, met with the representatives of the parties at Montreal, Quebec.

During the union's presentation it was established that the union had made proposals to management for the most favourable provisions the union had negotiated anywhere in North America.

During the employer's submission it was established that the company had been forced during recent years to discontinue the complete basic wire service to its subscribers it had previously provided, and to supply instead a much limited supplemental service. The limited staff is distributed as follows:

Montreal Bureau - 18  
Ottawa - 7

Toronto - 4  
Vancouver - 2  
Quebec City - 1 (Manager)  
Halifax - 1 (Manager)

The Conciliation Board during private discussions with the union pointed out that the union's demands were extravagant for a first agreement, particularly when the company involved had been forced by the economics of its operation to cut back and restrict its expenditures wherever possible.

The union agreed to make substantial modifications in its original proposals to get an agreement, and followed these words with offers to compromise in specific areas. This led the Board to conclude that the union would not insist upon demands that a reasonable management could not accept.

Now quoting the company's brief:

"Moreover, the Company must be able to operate its service within the framework of its purpose and its financial budget. Thus, it must have the unrestricted right to handpick and train a limited number of men to perform the required work at a rate of pay which the Company can afford. It must also have the unrestricted right to reward competent and capable employees on merit alone (rather than on the basis of seniority or experience with other employers, for instance) and the unrestricted right to dismiss those who do not measure up."

The Conciliation Board has underlined the last sentences of this quote and will comment on them.

The brief has stated unequivocally that the company must have the "unrestricted right" to do a limited number of things, but as the proceedings continued it developed that the company was determined to retain the unrestricted right to hire, fire, promote, demote, transfer, within a metropolitan area; transfer from city to city; and any number of other things usually governed by a collective agreement.

The terms offered by the employer did not, for instance, include any form of union security or check-off or seniority provisions. The company, as a substitute presumably for seniority provisions, conceded something termed "Security" which reads as follows:

"The Employer and the Guild agree that there shall be no discrimination against an employee because of sex, race, creed, color, national origin or membership or lack of membership in the Guild."

Having accepted at face value the company's statements that competitive and other factors require that its operations be less restricted by collective bargaining provisions than, for instance, that of its parent company in the United States, the Conciliation Board repeatedly attempted to ascertain just

how far the company could be persuaded to go to complete a collective agreement.

The Board eventually became convinced that the company would offer only what the union could not accept and adamantly refused to concede to the Guild the minimum provisions that any union must have in today's environment.

By these tactics, the company not only avoided completing a collective agreement, but avoided making a solitary significant concession during the proceedings.

Virtually the entire agreement is unsettled. No useful purpose would be served by making recommendations on each item in dispute. It would, in fact, be pretentious for the Conciliation Board to suggest it could make recommendations for realistic settlement of the issues under the circumstances that pertain here.

The Conciliation Board recommends as follows:

(a) That the union follow the Act and take no extreme action or strike vote until seven days have elapsed from the date on which the Report of this Board has been received by the Minister.

(b) That the union continue to negotiate in good faith.

(c) That the company commence to negotiate with the union with a view to concluding a collective agreement.

All of which is respectfully submitted.

(Sgd.) R. G. Geddes,  
Chairman.

(Sgd.) H. McD. Sparks,  
Member.

(Sgd.) C. Crombie,  
Member.

Toronto, Ontario  
October 20, 1966.





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No. 11, 1966

# CONCILIATION BOARD REPORTS together with CLRB REASONS FOR JUDGMENT

## Conciliation Board Reports in disputes between

The Bell Telephone Company of Canada and Office and Professional Employees' International Union

Transcanada Communications Limited (CKCK-TV) and National Association of Broadcast Employees and Technicians

Rod Service Limited, Montreal, and National Syndicate of Rod Service Employees

The Hamilton Harbour Commissioners and Canadian Union of Public Employees

## Reasons for Judgment in applications affecting

Canadian Merchant Service Guild (Applicant) and British Columbia Ferry Authority (Respondent) and B.C. Government Employees' Association (Intervener) and The Attorney-General of British Columbia (Intervener)

Seafarers' International Union of Canada (Applicant) and Three Rivers Boatman Ltd. (Respondent)

Seafarers' International Union of Canada (Applicant) and Agence Maritime Inc. (Respondent) and District 50, United Mine Workers of America (Intervener)

A LABOUR GAZETTE SUPPLEMENT

CANADA DEPARTMENT OF LABOUR

## CONCILIATION BOARD REPORTS

Report of Board of Conciliation and Investigation established to deal with dispute between

The Bell Telephone Company of Canada

and

Local 57 of the Office and Professional Employees' International Union

The Board of Conciliation and Investigation established to deal with a dispute between The Bell Telephone Company of Canada and Local 57 of the Office & Professional Employees' International Union was under the chairmanship of G.D. LaViolette of Montreal. He was appointed by the Minister of Labour in the absence of a joint recommendation from the other two members of the Board, Jean Massicotte, Q.C., and James Wolfgang, both of Montreal, who were previously appointed on the nomination of the company and union, respectively.

The report of the Chairman and Mr. Wolfgang constitutes the report of the Board. A minority report was made by Mr. Massicotte. The reports were received by the Minister of Labour in November.

A Board of Conciliation and Investigation was constituted on the 20th day of June 1966, to deal with the above dispute. Said Board is composed of: Mr. Jean Massicotte, Q.C., representing the employers; Mr. James Wolfgang, representing the employees; and Mr. G.D. LaViolette, Chairman. The Board held public hearings on September 7, 9, and October 13. Deliberations took place on October 31, November 11 and 18.

The litigation is based on a series of 10 demands made by the Union on the Company and on which the parties could not reach agreement. Said demands are as follows:

1. Rand Formula
2. Severance Pay Plan
3. Payment of average earnings from the first day of sickness
4. Payment of average earnings for attendance at bargaining sessions
5. Payment of average earnings for absence due to death in the family
6. Payment of average earnings for Company-initiated training sessions
7. Inclusion of company-wide pension and medical plan into the agreement
8. Demand Re.: "Assignment of Accounts" which includes "No Contracting-Out" clause
9. Wages--basic salary and commissions, and retroactivity of same
10. Duration of agreement

I will analyze hereafter each demand separately and give my recommendation in the matter, indicating at the same time whether my colleagues on the Board are in agreement or not.

#### Rand Formula

The Union is asking for the Rand Formula, that is: "As a condition of employment all employees covered by this

agreement shall pay to the Union the equivalent of the Union monthly dues".

It has been shown that there are in the unit 98 employees, and of this number seven are not members of the Union. This, from the Union standpoint, creates a problem and considerable friction amongst the membership, as it enables seven freeriders to get the benefits of collective bargaining and at the same time refuse to subscribe to the expenses incurred for securing the benefits to all the employees covered in the unit.

On the other hand, the Company pleads that an employee should have the right to decide to join the Union or not, and only if the employee elects to join the Union should the Company deduct Union dues.

My suggestion in the matter is as follows:

(a) The Rand Formula is current practice. It is applied in a number of contracts, notably that of the Provincial Government with its employees; it was granted to them after the Union had proved that more than 70% of the employees in the bargaining unit were members of the Union. In the present case the Union has a 93% membership. Important contracts which have the Formula are the Quebec Natural Gas Corporation, the Blue Cross and the Construction Industry, to name a few.

(b) I am in favor of granting the Rand Formula mainly because a person who receives benefits should be willing to share in the expenses of securing same.

(c) As to the peaceful aspect of the situation, it is just as bad one way or the other: people refusing to join and creating a problem for the Union, and people obliged to join and reproaching the Company for having forced them into that position.

(d) Moreover, even if the other Unions in the Bell Telephone have not got the Rand Formula, it will not be very long before they get a form of Union security which will be its equivalent.

As a conclusion, it is my recommendation to grant the Rand Formula. Mr. Wolfgang, representative of the employees, is in agreement with this decision; Mr. Massicotte, representative of the Employers, is dissident.



## Severance Pay Plan

The Union is asking for a Severance Pay Plan based on a schedule of service and pay receivable as indicated in their Memorandum, page 4. To back up its demand, it cites the Canadian International Paper, which has 17 agreements in all providing severance pay, and as well Quebec North Shore. Domtar has not completed its policy on this subject but they did a lot when they closed their plants. A very important agreement is that of the Northern Electric Co. Ltd. of Montreal, which is considered a subsidiary of the Bell Telephone Company.

The Union plan is non-restrictive, that is, the employee is entitled by right to severance pay upon termination of employment. In this respect, the Freedman Report is quoted, particularly where it says: "An employee who has served the Company for at least one year and who loses his employment with the Company by reason of a run-through should be entitled to receive severance pay or a lump sum separation allowance, along the lines set forth in the Canadian National-Canadian Pacific Act."

May I remark here that the Freedman Report as a basis of comparison has its faults. It is difficult to compare commission salesmen to railway employees on a run-through. Whilst there are certain principles which would apply in both cases, a complete analysis of the Report would be needed before reaching conclusions on same. Moreover, the Freedman Report and its recommendations have not been implemented yet.

The Company is opposed to a non-restrictive plan of severance pay. It has a plan of its own and has not indicated clearly in its brief whether it would apply same to the employees here concerned. The Union would be satisfied with this plan (inserted in the contract or through separate letter), provided it covers all employees dismissed or who terminate their employment, except those dismissed for cause, and provided two clauses, 1.04 and 2.03, are deleted, because:

--in 1.04 there is a plan and there is no plan, as payment of the allowance is purely a gratuitous payment. Moreover it stipulates: "No employee is entitled, as a right, to a termination allowance....etc."

--in 2.03, the opinion of the approving official decides whether the reason of the dismissal is such that payment of a termination allowance is not justified-- which means a unilateral decision of the approving official.

In its brief, the Company remarks: "There is no justification for any such provision in an agreement covering employees such as the ones now before this Board since their employment is relatively secure." If that is so, a severance pay plan is no burden to the Company, but with such rapid changes taking place everywhere, the Union is wondering how long its members will be at work. With introduction of automation and computers, you never can tell what will happen.

It is my recommendation that the request of the Union for an amended plan as outlined above be granted. Mr. Wolfgang, representative of the employees, is in agreement; Mr. Massicotte, representative of the employers, is dissident.

## Payment of Average Earnings from First Day of Sickness

The Union is claiming payment of average earnings from the first working day of absence of the employee. At the present time said employee is paid wages only for the first

three days, and average earnings for two days afterwards, and thereafter in accordance with Company practice.

The reason for payment of wages only for the first three days, argues the Company, is that the salesman is left in possession of his cards; he may be absent one day or two days, or the full three days, yet he has the opportunity to make up his earnings just the same by processing the cards when he comes back.

One particular feature of the plan is that the employee receives wages from the first day of his illness, which is rather generous, as in a good many plants the sick employee is being paid only from the eighth day of his illness. In a few words, the Company says absences of short duration are no liability to the worker as he is paid wages, and he has every opportunity to make his commission with a little additional work when he is back on the job.

It was pointed out by the Union at the hearing that there are circumstances when the worker has no opportunity to make his commission when absent for a few days only, say three at the most, because there are campaigns of short duration--besides the employees have to travel--there are meetings which take them away from their base and it becomes difficult to make up for lost time.

There is possibly something in the argument of the Union, and my recommendation is that the employee be paid at his average rate of earnings from the third day of his illness instead of the fourth. Mr. Wolfgang, representative of the employees, is in agreement; Mr. Massicotte, representative of the employers, is dissident.

## Payment of Average Earnings for Attendance at Bargaining Sessions

As it stands now, wages are paid for the time spent by employees for attendance at bargaining sessions. I would say, on the same basis as that outlined in the preceding, "Payment of Average Earnings from the First Day of Sickness", that a stoppage of two full days at the rate of wages is sufficient. Therefore I do recommend that payment of average rate of earnings be paid provided the bargaining session is one of more than two consecutive working days. By this I do not mean a session on one day, an adjournment on the next, then a session two days after and adding same to make three days or more. To be very explicit: what I mean is that a bargaining session of more than two consecutive days shall call for payment at average rate of earnings from the third day, and immediately after if any.

Mr. Wolfgang, representative of the employees, is in agreement; Mr. Massicotte, representative of the employers, is dissident.

## Inclusion of Company-Wide Pension and Medical Plan

### Company-Wide Employee Fringe Benefits (New Clause)

All fringe benefits which apply to all other Bell Telephone Company employees, not covered by the terms and conditions of this agreement, shall be applicable to the employees who are covered by the terms of this agreement.

### Bell Telephone Company of Canada -- Employee Pension Plan (New Clause)

A detailed account of the Company's Employee Pension Plan shall be incorporated into this agreement, so that the employee may have it on hand at



all times, and assure himself of his rightful benefits under this plan.

Bell Telephone Company of Canada -- Employee Medical Insurance Plan (New Clause)

The Company shall incorporate into this agreement all the pertinent data, regulations and information pertaining to the employee medical insurance plan, which went into effect on January 1st, 1966.

The above is a request by the Union to incorporate into the agreement first all fringe benefits, secondly the employee pension Plan and thirdly the employee medical insurance Plan. When the Union mentions "all fringe benefits," it should describe what those fringe benefits are. It is a very vague request to state that all fringe benefits which apply to all other Bell Telephone Company employees should apply to employees of Local 57, Bell Unit. Surely the Union knows what those fringe benefits are.

When it claims incorporation into the agreement of the Company's pension plan, and also that of the medical insurance plan, it has left out disability benefits and death benefits; so maybe this is what is meant by "other fringe benefits" which the other employees of the Bell Telephone Company have. In this respect, may I state that there is no lack of information as to the:

1. comprehensive medical expense insurance Plan, which is one booklet; and

2. employees' pension plan, disability benefits plan and death benefits plan, which are combined in a second booklet.

As each of these booklets is distributed to each employee of the Bell Telephone Company, it is obvious that said employees are very well informed as to the benefits they are entitled to by such plans. So that, from an information standpoint, the employee has all of it.

The request to incorporate those plans into the agreement is a request that does not amount to much--on the surface. But it does amount to a lot, as it means that every plan becomes negotiable. It is not such an innocent request as it appears to be.

The Company does not want these plans to be negotiable, for the good reason that they cover over 40,000 employees and they need a uniform plan for all of them; they cannot afford to have a plan for one group, another for another group, and so on along the line, so that in effect, 98 employees of 40,000 would dictate what changes are to be made in the plans, or else it would become a special plan for them only.

Although the principle may be correct, in practice it creates an intolerable situation and one which has no guarantee of being of benefit to the employees, as surely changes should come firstly from the largest unit representing the majority of employees and not from one of minority proportion to the extent of 98 of 40,000. If democracy is to apply, the rule of majority should prevail and that would not be the case here.

I am therefore opposed to inclusion of the plans listed heretofore into the agreement and as well to the clause concerning fringe benefits, and my recommendation is: that such plans as listed heretofore and, as well, the clause concerning fringe benefits shall not be included into the agreement. This recommendation is unanimously agreed to by the Chairman, Mr. G.D. LaViolette, Mr. Wolfgang, representing the employees, and Mr. Massicotte, representing the employers.

"Assignment of Accounts" and "No-Contracting-Out" Clause

(a) The Company shall assign and distribute accounts to the employees on a fair, equitable and indiscriminate basis, in relation to the total dollar value of the accounts assigned, and also to the number of accounts distributed. The total dollar value and the number of accounts assigned shall be adjusted to conform with the requirements of the three existing groups; directory advertising salesmen "Regular", directory advertising saleswomen, and directory advertising salesmen "Agency and Special".

(b) The accounts assigned shall include a cross-section of the market with respect to "advertisers", "non-advertisers", and "newins", and shall be in sufficient quantity to keep the employees occupied, within the limits of the market.

(c) The Company agrees that it shall not assign any work outside of the bargaining unit, if as a result of such assignment, the earnings of any employees within the bargaining unit, would decrease or that any employee would be laid off; nor shall the Company assign work outside of the bargaining unit for the purpose of discriminating against the Union, or any Union-represented employees, or for the purpose of avoiding the Company's obligation to bargain with the Union, on terms and conditions of employment, applicable to employees within the bargaining unit.

(d) If the Company feels that under certain circumstances, it is necessary to assign accounts to sales managers, it shall occur only with the agreement and consent beforehand, of the Union and the Company.

On this subject of assignment of accounts, the Company submits that this is an integral part of the management of the Directory Sales operation and as such, the Company is not agreeable to include any reference to assignment in the contract. The Company respectfully suggests that the matter of assigning accounts can be compared with the right of management in a manufacturing plant to assign work to the plant's employees. So far as the Company is aware, the right of management in such cases is not disputed. As to this statement, may I mention the following:

(a) it is not unusual in manufacturing contracts to find a clause which calls for equal distribution of work, as much as it is possible to do so;

(b) equally so, another clause, which calls for full employment of the staff and permission to send work outside this is only permitted provided all employees in the plant are fully employed.

These clauses are not considered disruptive to the right of management; they are to be found in the following contracts: Blue Cross, Quebec Natural Gas, the Construction Industry, Continental Can, Expo 67.

It is true that here we do not deal with a manufacturing plant, but, while not necessarily agreeing with the wording of the union, which is too complicated and may bring endless litigation, I would favor the inclusion of the following privileges:

(A) The Company shall assign and distribute accounts to the employees on a fair, equitable and indiscriminate basis in relation to the total dollar value of the accounts assigned and also to the number of accounts distributed.



(B) Provided management is not interfered with in its current duties with the employees, the principle and the practice should apply that no work be sent outside unless all employees in the unit are fully employed and no reduction in employment shall result.

Evidently, these two conditions would apply to each of the three divisions of the personnel, namely: directory advertising salesmen, "regular"; directory advertising salesmen, "agency and special"; and directory advertising saleswomen.

It is therefore my recommendation that the two paragraphs A and B, above, shall be included into the agreement. Mr. Wolfgang, representative of the employees, is in accord with this recommendation, and Mr. Massicotte, representative of the employers, is dissident.

The Company objects to the clause that under certain circumstances if it is necessary to assign accounts to sales managers, it shall occur only with the agreement and consent beforehand of the Union and the Company.

With a view of trying to bring the parties together, I would recommend that the Union accept the following clause: "The Company may, under very special circumstances, assign accounts to sales managers, but this privilege shall not be abused."

Mr. Wolfgang, representative of the employees, is in agreement with this recommendation, and Mr. Massicotte, representative of the employers, is dissident.

Wages -- Basic Salary and Commissions and Retroactivity as of April 3rd, 1966

#### Compensation Administration

#### Directory Advertising Salesmen -- Regular

Union \$10 a month at all steps of the wage schedule.  
requests: New and increased business commission - 90% to 96%  
Renewed business 30% to 33%  
The Company estimates the cost of this demand at \$51 a month on the basis of 1965 earnings.  
Company \$15 a month at all steps of the wage schedule  
offers: subject to a reduction of new and increased business commission from 90% to 84% which would mean an increase of \$4.42 a month on the average, based on 1965 earnings.  
I would (a) No change in commissions;  
recommend: (b) Readjustment of the wage schedule as follows: 

Step			
1	\$260	5	370
2	290	6	400
3	315	7	425

#### Directory Advertising Salesmen -- Agency and Special

Union New and increased business commission - 78% to 96%  
requests: Renewed business 0% to 6%  
The Company estimates the cost of this demand at \$130 a month based on 1965 earnings.  
Company Wages \$10 a month  
offers: New and increased business commission - 78% to 84%  
This would mean an increase of \$24 a month based on 1965 earnings.

I would (a) No change in commissions;  
recommend: (b) An increase of \$45 a month bringing up the monthly salary to \$695.

#### Directory Advertising Saleswomen

Union \$10 a month at all steps of the wage schedule.  
requests: New and increased business commission - 72% no increase  
Renewed business 3% to 12% increase  
The Company estimates the cost of this demand at \$50 a month based on 1965 earnings.  
Company New and increased business commission - 72% to 84%  
offers: This would mean an increase of \$13 a month based on 1965 earnings.  
I would (a) New and increased business commission - 72% to 84%  
recommend: (b) Readjustment of the wage schedule as follows: 

Step			
1	\$280	4	\$325
2	295	5	340
3	310	6	355

NOTE: The increases I recommend are on salaries only because commissions, except in one particular case, seem to be satisfactory. The reason for this is that the Company increased rates in 1965 and again in 1966; in 1965 the value of the increase was \$53,000 and in 1966, \$216,000. The salesmen do benefit from this as they are paid commissions on the added amounts which the price increase create. Besides, is it the last increase? Time will tell.

All adjustments recommended to be retroactive to April 3, 1966.

Mr. Wolfgang, representative of the employees, is in agreement with the increases recommended; Mr. Massicotte, representative of the employers, is dissident.

#### Duration of the Agreement

The Union requests a one-year contract effective April 3, 1966. The Company did not oppose this. I therefore recommend such a one-year contract effective April 3, 1966.

Mr. Wolfgang, representative of the employees, is in agreement; Mr. Massicotte, representative of the employers, is dissident.

This completes a majority report where agreement has been achieved between the Chairman, Mr. G.D. LaViolette, and Mr. James Wolfgang, representative of the employees; Mr. Massicotte, representative of the employers, is dissident, except in two cases where there is unanimous agreement: "Payment of Average Earnings for Company-Initiated Training Sessions" and "Inclusion of Company-Wide Pension and Medical Plan into the Agreement". Mr. Massicotte will submit a Minority Report.

AND WE HAVE SIGNED in MONTREAL, on this 25th day of November 1966.

(Sgd.) G.D. LaViolette,  
Chairman.  
(Sgd.) James Wolfgang,  
Member.

## MINORITY REPORT

I regretfully file a minority report on the following matters:

### Compulsory Check-Off of Union Dues for All Employees

The main reason advanced by the Union in support of its request is the usual argument of "free riders". It has been contended that non-union employees, being recipients of the benefits of collective bargaining in the same degree as union members, should participate in the costs of collective bargaining. I submit that this argument is inconsistent with another union demand where it is requested that the Company bear the entire cost of the collective bargaining sessions.

It has also been argued that, although only seven (7) employees out of one hundred and three (103) do not pay union dues, this situation is a source of conflicts between members and non-members of the Union. I submit that to impose upon individuals through collective bargaining an obligation which would not otherwise legally exist is a greater source of friction.

For these reasons I recommend that Article 13 of the expired agreement remain unchanged.

### Severance Pay Plan

The majority report recommends that the Company's present practice in respect of severance pay be confirmed in the new agreement to intervene between the parties. My colleagues, feeling that the Company's present practice might lead to discrimination or favouritism, further suggest that the Company's plan be amended so that the Company can no longer exercise its discretion.

I wish to point out that the Company's plan has not been initiated through collective bargaining and is applicable to all of the Company's 42,000 employees. Because of this, it should be considered in the same light as the company-wide pension and medical plans. My colleagues have refused the Union's request for the inclusion in the agreement of the pension and medical plans, on the grounds that a small bargaining unit of one hundred and three (103) employees should not be in a position to impose its will on the remaining 42,000 employees. The validity of my colleagues' reasoning applies equally to the severance pay practice of the Company.

Therefore, I deny the Union's request.

### Payment of Average Earnings

The Union has requested that the Company pay average earnings (basic salary and average commission) in the following cases of absences:

Death in the employee's immediate family

Training courses

Bargaining sessions

In my opinion, to pay average earnings for non-incentive time is unfair to those who must work to earn their commission earnings. Besides, under the above circumstances, with the exception of some forms of training, there is no connection between payment and result.

Incentive payments for lost time are inflationary. They contradict the basic fundamental of more pay for more output. Further, they could destroy the commission plan itself. Those receiving payment of commissions for work not performed might, in time, resent having to work to earn them when measurement of work is again applied.

For these reasons, I recommend no change in the Company's present practice regarding payment for time lost except in the case of training involving new methods and procedures, where I agree with the majority recommendation.

### Assignment of Accounts

One of managements' primary and essential function and responsibilities is to assign work and make sure that such work is performed in the most efficient manner. It seems innocuous at first sight to include in the collective bargaining agreement a clause to the effect that accounts will be assigned and distributed on a fair, equitable and indiscriminate basis. Management, however, must not lose sight of the fact that once such an apparently innocuous clause exists in the Agreement, the whole area of work assignment becomes a negotiable matter. Furthermore, my colleagues' recommendations, as worded, can only lead to grievances.

The certification of a union does not per se confer upon the union a voice in determining the manner in which work will be performed, and the union's right to represent an employee must not negate an employer the right to assign work. The existence of directory advertising constitutes the reason why the Company has employees looking after such accounts, and I cannot agree that the Company should, now or in the future, share with the Union the manner in which such accounts should be handled.

Therefore, I deny the Union's request.

### Contracting-Out

Nothing in our legislation limits in any way management's right to abolish jobs, except perhaps Section 25 of the Industrial Relations and Dispute Investigation Act which forbids an employer to discontinue its operations if such action constitutes a lockout.

The reasons which I have advanced earlier to refuse the Union's request in respect of assignment of accounts apply mutatis mutandis to its request on contracting-out.

Therefore, I deny the Union's request.

### Duration of Contract

The Union has requested a one-year contract from last April 3, and my colleagues so recommend. In view of the fact that the agreement under consideration by our Board expired on April 2, 1966, a more realistic approach would be a one-year contract from the day on which the parties reach an agreement, rather than from April 1966. Collective bargaining relations would tend to deteriorate if the parties have to meet for bargaining purposes three months from now.

Therefore, I recommend a one-year contract from December 1, 1966, or the date on which an agreement is reached.

### Compensation

In consideration for a one-year contract from the above suggested time, I recommend the following:

Directory advertising salesmen--Regular: An increase of \$25.00 per month in wages at all steps of the Wage Schedule.

Directory advertising salesmen--agency and special: An increase of \$40.00 per month in wages at all steps of the Wage Schedule.



Directory advertising saleswomen: (1) An increase of \$10.00 per month in wages at all steps of the Wage Schedule; (2) An increase from 72% to 84% in new and increased business commissions.

These recommendations will insure that the employees concerned will continue to maintain a rate of earnings higher than the average in comparable occupations.

#### Retroactivity

I have given serious consideration on this point and I have come to the conclusion that a lump-sum payment, in lieu of retroactivity, should be made to saleswomen and salesmen "agency and special".

The evidence has shown that between July 1965 and June 1966, the average monthly earnings of directory advertising salesmen--Regular, have increased by 7.5%, from \$880 a month to \$955 without any change whatsoever in their compensation plan. This increase in earnings, resulting inter alia from increased advertising rates, makes retroactivity or a cash payment in lieu thereof, unjustifiable.

With respect to directory advertising salesmen--"agency and special," I recommend that a lump-sum payment of \$200, on the basis of \$25 a month since last April, be made to those employees who were employed by the Company on April 2, 1966, are still employed by the Company on the day a new agreement is signed, and worked regularly between said two dates. For new employees and those who were absent, such payment should be made on a pro rata basis.

With respect to directory saleswomen, I recommend a lump-sum payment of \$100 on the basis of \$12.50 a month since last April, subject to the same conditions of payment as above.

I sincerely hope, Mr. Minister, that the parties to this dispute will reach an amicable settlement.

Respectfully yours,

(Sgd.) Jean Massicotte,  
Member.

#### Report of Board of Conciliation and Investigation established to deal with dispute between

Transcanada Communications Limited (CKCK-TV)  
and  
National Association of Broadcast Employees and Technicians

The Board of Conciliation and Investigation established to deal with a dispute between Transcanada Communications Limited (Station CKCK-TV), Regina, Sask., and the National Association of Broadcast Employees and Technicians was under the chairmanship of His Honour Judge Joseph J. Flynn. He was appointed by the Minister of Labour on the joint recommendation of the other two members of the Board, D.K. MacPherson and J.D. Kimmerly, both of Regina, who were previously appointed on the nomination of the company and union, respectively.

The report of the Chairman and Mr. Kimmerly constitutes the report of the Board. A minority report was made by Mr. MacPherson. The reports were received by the Minister of Labour in November.

Twelve items were included on the terms of reference in the above matter. From the outset it was obvious that, although there was a considerable difference on all points, the parties could have been brought together on items 2, 4, 5, 6, 7, 8 and 12 if the other items could have been resolved. While the board made considerable progress in moving toward an understanding on the above items, no items were finalized because, basically, the parties were waiting to look at the full agreement before making a definite committal.

Your chairman feels that the items in dispute should be dealt with as follows:

Jurisdiction. It is felt could best be resolved between the parties by a letter of intent by the company.

Wages and General Provisions. It is felt that the salary schedule submitted by the company should be accepted by the parties (this schedule is attached hereto and marked "Appendix A"); however, it is felt that the wages should be retroactive to July 1, 1966. These questions of salaries tie in with item No. 2, Duration of Agreement, and because it is recommended that the agreement be a two-year agreement and that the salary schedule should make provisions for an increase on the first anniversary of the contract, it is submitted that 5 per cent across the board on this date is

reasonable.

On the question on hours of work and overtime, it is recommended as follows:

That the company undertake to schedule as closely as practicable a 40-hour, five-day week, consisting of approximately eight-hour shifts. The regular shifts in any one day not to exceed 12 hours.

That the company agree to average the time out on a four-week cycle of 160 hours for such four-week cycle.

That the company agree to pay time and one-half for overtime for any work assigned to an employee on any day in excess of the work ordinarily scheduled.

That the company agree that the minimum of eight hours shall lapse between the end of one tour of duty and the beginning of the next tour of duty, any work performed within such eight-hour turn-around period shall be compensated at one and one-half the basic rate.

Further, that the two consecutive days schedule "days off" shall consist of forty-eight hours plus the turn-around period of eight hours for a total of fifty-six hours.

Union Security. I recommend union security along the lines of the Rand formula.

Definition of "bargaining unit". I recommend that the

word "part time" as used in the fourth line from the end of Article 2.01 be lifted from the clause and replaced by the word "temporary" and that the following be added to Article 2.01:

"In this Article 'temporary employees' in the case of students employed between school terms means employed full time for a period not in excess of five (5) months, and in the case of all other employees, not in excess of three (3) months."

Strike-Breaking. It is recommended that the company's proposal Article 904 be included together with the union's proposal number 25.1 with the exception of the following words to be deleted from the number 25.1 of the union proposal, "or to originate a program or programs not normally fed to such facility."

I recommend Articles 19.3 and 19.4 as proposed by the Union.

Upgrading. I recommend the union proposal Article 20.1 to 20.2 inclusive.

New Equipment. I recommend a letter of intent along the lines of the letter of intent "relay-offs due to automation" contained in the agreement between NABET and CKLW. (Attached and marked "Appendix B".)

Combined Job Functions. I recommend Article 28.1 and Article 28.2 of the union proposal subject to these changes in Article 28.1: that the words "without prior approval of the union" be changed to read "without one month notice in writing to the union". And that a further Article 28.3 be added wherein the company agrees that any new positions as a result of amalgamation of job functions as outlined in Article 28.1 shall immediately become the subject of negotiation.

Duration. The chairman has already suggested he is recommending a two-year agreement.

Respectfully submitted,

(Sgd.) Joseph J. Flynn,  
Chairman.

(Sgd.) J.D. Kimmerly,  
Member.

#### Appendix A

#### TECHNICAL GROUP

##### Grade One:

Truck Driver  
Floorman 1

Start	- \$246.00
6 months	- 256.00
1 year	- 270.00
2 years	- 281.00
3 years	- 294.00
4 years	- 306.00

##### Grade Two:

Telecine Operator 1  
VTR Operator 1  
Cameraman 1  
Lighting Man 1  
Switcher-Audio Operator 1  
Floorman 2

Start	- \$294.00
1 year	- 306.00
2 years	- 320.00

3 years	- \$333.00
4 years	- 352.00
5 years	- 370.00
6 years	- 390.00
7 years	- 410.00

##### Grade Three:

Technician 1  
Telecine Operator 2  
VTR Operator 2  
Cameraman 2  
Lighting Man 2  
Switcher-Audio Operator 2

Start	- \$330.00
1 year	- 346.00
2 years	- 366.00
3 years	- 386.00
4 years	- 408.00
5 years	- 431.00
6 years	- 455.00
7 years	- 482.00

##### Grade Four:

Technician 2  
Director-Switcher

Start	- \$389.00
1 year	- 409.00
2 years	- 431.00
3 years	- 454.00
4 years	- 479.00
5 years	- 505.00
6 years	- 533.00
7 years	- 560.00

#### Appendix B

#### LETTER OF INTENT #3

Re: Layoffs due to Automation

With respect to the interpretation and application of Article 28 of the Collective Agreement between Western Ontario Broadcasting Company Limited and National Association of Broadcast Employees and Technicians, AFL-CIO-CLC, the parties jointly undertake as follows:

While recognizing that it is not the intention of the Company to reduce staff by means of the introduction of new equipment, it is agreed that should such a reduction become necessary, the Company will give the Union as much advance notice as is practicable. Such notice shall be in writing and shall state the nature of the changes contemplated and the number of jobs likely to be affected. Upon receipt of such notice by the Union, the parties shall arrange a meeting or meetings, for the purpose of conducting discussions which will achieve an understanding to assure that any hardship to the employees affected shall be minimized; this shall be done by providing, wherever possible, alternative employment within the Company for employees whose jobs have been eliminated, by joint efforts on the part of the Company and the Union to obtain employment with other employers for any such employees who cannot be relocated within the Company, and by any other means that the parties may, by mutual agreement, decide upon.

Western Ontario  
Broadcasting  
Company Limited

National Association Broadcast  
Employees & Technicians  
(AFL-CIO-CLC)



## MINORITY REPORT

I have had the privilege of reading the Chairman's Report. I regret that I cannot agree with his recommendations in all respects; I know that he has worked hard and conscientiously in a sincere effort to arrive at recommendations which in his view will be both fair and acceptable to the parties. I will deal with the items in the same order as set forth in the Chairman's Report.

Jurisdiction: I feel the employer's position on this point is sound. The Union Certification Order and The Industrial Relations and Disputes Investigation Act are sufficient to establish the Union's jurisdiction, and the Collective Agreement need go no further than to duplicate the wording of the Order.

### Wages and General Provisions:

(a) I agree with the Chairman's recommendations respecting wages.

(b) Term of Contract--I agree that a two (2) year contract would be desirable, but since we heard no evidence on that point, I hesitate to join the Chairman in recommending a flat five (5%) per cent across-the-board increase for the second year.

(c) Hours of Work and Overtime--I am in agreement with the Chairman's recommendations.

Union Security: In this case involving a newly certified union which does not have one hundred (100%) per cent support of the employees, I am opposed to the implementation of the Rand Formula, particularly since it would require payment of dues by employees who either did not approve, or opposed, the organization of this bargaining unit.

Definition of Bargaining Unit: I am in agreement with the Chairman's recommendation.

Strike-Breaking: Clauses 9.01, 9.02 and 9.03 have been negotiated and agreed to by the parties and in my view are sufficient to cover this subject. I would recommend the

exclusion of both the Company Article 9.04 and the Union Article 25(1).

Promotions and Transfers: I cannot agree with the Chairman's recommendations and I see no need for inclusion in the agreement between these parties clauses such as the Union's proposed Articles 19.2, 19.3 and 19.4.

Upgrading: I would prefer to see the adoption of the Union Article 20 with a proviso added that the Company may continue its present training program and method of payment for same. It must be remembered that this is a first contract between the parties and it should not have the effect of unreasonably tying the hands of the employer. If the proviso suggested above should prove onerous to employees, then it could be re-negotiated at the expiry of the first agreement.

New Equipment: In my view, Letters of Intent are either binding or not binding; if the former, then they should be included as part of the Collective Agreement; if the latter, they serve little purpose but to create confusion. In any event, with the Company's financial position being as it is, I do not think that we should restrict the Company in any way in its endeavours to operate economically.

Combined Job Functions: Under present circumstances, I feel the Company must continue to have the unfettered right to do that which is necessary or desirable in achieving an efficient and economic operation. However, if the Union is dissatisfied with the wage rate fixed by the Company for any new position or combined position, there should be provision in the agreement whereby such rate can be determined and I would support a recommendation that there be such a provision in this agreement.

All of which is respectively submitted.

DATED at Regina, Sask., this 10th day of November, A.D. 1966.

(Sgd.) D.K. MacPherson,  
Member.

Report of Board of Conciliation and Investigation established to deal with dispute between

Rod Service Limited, Montreal  
and  
National Syndicate of Rod Service Employees

The Board of Conciliation and Investigation established to deal with a dispute between Rod Service Limited, Montreal, and the National Syndicate of Rod Service Employees (CNTU) was under the chairmanship of Hon. P.A. Badeaux, Q.C., of Montreal. He was appointed by the Minister of Labour in the absence of a joint recommendation from the other two members of the Board, Marius Bergeron, Q.C., and Jean-Robert Gauthier, both of Montreal, who were previously appointed on the nomination of the company and union, respectively.

The report was received by the Minister of Labour in November.

The members of the Board were sworn in on November 8, 1966, and held a preliminary meeting in order to determine the procedure to be followed in the inquiry before the Board, which is scheduled to begin on November 9, 1966. There was a discussion of the dispute with Mr. J.D. Richard, attorney, who was to submit a memorandum or a brief on behalf of the employer. Mr. Jean-Marc Jodoin, technical adviser of the Syndicate, had been invited but did not attend the meeting.

The inquiry sessions began on November 9, 1966, and the Board held fourteen sessions, as may be seen from the reports attached hereto.

After working steadily in all sincerity and impartiality we find ourselves under the obligation of advising you that unfortunately we have been unable to effect a settlement of the dispute.

The Chairman of the Board and the employer member are of the opinion that the last suggestion put forward by the



employer concerning wages, hours of labour, retroactivity and term of the agreement contain reasonable offers and they recommend it as a basis for possible settlement.

The Board does not deem it advisable to submit recommendations on the other matters still in dispute.

Respectfully submitted,

(Sgd.) Pierre A. Badeaux,  
Chairman.

(Sgd.) Marius Bergeron,  
Member.

(Sgd.) Jean-Robert Gauthier,  
Member.

## REPORT OF PROCEEDINGS

November 8, 1966--Preliminary meeting. The Chairman, Pierre A. Badeaux, and the members of the Board, Marius Bergeron and Jean-Robert Gauthier, were sworn in before Judge René Lippé and discussed the procedure to be followed in the inquiry scheduled to begin on November 9, 1966. Discussion of the dispute with Mr. J.D. Richard, who was to submit a memorandum or a brief to the Board. Mr. Jean-Marc Jodoin did not attend the meeting.

November 9, 1966--First session. Were present: Pierre A. Badeaux, Chairman, and Marius Bergeron and Jean-Robert Gauthier, members of the Board. For the Syndicate, Jean-Marc Jodoin, technical adviser of the Syndicate, F. diTerluzzi and M. Deschamps, employed by Rod Service Limited as drivers. For the Employer, J.D. Richard, attorney; M. Imbeault, vice-president of the employer; M. Ouellette, treasurer, and Raymond Turcotte.

The parties waived the hearing notice and stated that they were ready to proceed.

The attorney of the employer filed as Exhibit P-1 the agreement of June 3, 1963 between the Association of Employees of Rod Service Limited and Rod Service Limited.

Mr. J.M. Jodoin, representing the Syndicate, filed as Exhibit S-1 the certification certificate of the National Syndicate of Employees of Rod Service Limited (CNTU), as Exhibit S-2 the correspondence exchanged by the parties and others, since May 13, 1966. Exhibit S-3 proposed a labour collective agreement between Rod Service Company Limited and the National Syndicate of Rod Service Employees (CNTU). Exhibit S-4: Collective agreement between Local 106 of the Brotherhood of Teamsters, Warehousemen and Helpers and the Motor Transport Industrial Relation Bureau of Ontario, (Inc.). Exhibit S-5: Report of the Conciliation Board of dispute between A.W. Bacon Limited and Local 419 of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America. Exhibit S-6: Labour collective agreement between the Montreal Transportation Commission and the Syndicate of the Montreal Transportation Employees (CNTU). Exhibit S-7: Labour collective agreement between the Montreal Catholic School Board and the National Syndicate of Employees of the Montreal Catholic School Board (CNTU). Exhibit S-8: Manual of Instructions to City Services' Contractors and Couriers. Exhibit S-9: Collective agreement of work control between the Quebec Car Dealers Inc. (Les Marchands d'Automobiles de Québec Inc.) and others, and the National Syndicate of Quebec Garage Employees Inc. Mr. Richard produced for the Employer Exhibit P-2: Brief of the Employer. Exhibit P-3: Letter dated November 7, 1966, from the Canada Post Office Department to Mr. Maurice Imbeault.

Mr. Jodoin began setting forth the union's demands. He proceeded to the reading of the agreement of June 3, 1963, and its amendments, and began reading the proposed agreement of the Syndicate, explaining each clause.

November 9, 1966--Second session. The same persons were present. Mr. Jodoin continued reading the proposed agreement of the Syndicate, with comments and explanations. Mr. Richard produced for the Employer Exhibit P-4: Letter dated June 28, 1966, from the Canada Post Office Department to Rod Service Limited.

November 10, 1966--Third session. All the same persons were present. Mr. Jodoin continued reading the proposed agreement, with comments and explanations. Discussion on certain clauses.

November 10, 1966--Fourth session. All the same persons were present. Mr. Jodoin finished reading the proposed agreement and finished his comments and explanations and opened the discussion on the Syndicate's wage demand.

November 11, 1966--Fifth session. The same persons were present and in addition for the Syndicate were Messrs. C. Doré and R. Burns, counsel. Mr. Claude Doré, Research Director for the Canadian Federation of Public Service Employees, testified on wages as compared with those paid in industry, the cost of living, the general trends and productivity and produced Exhibit S-10: Memorandum on wages and union demands as regards annual vacations. Exhibit S-11: Union evidence prepared for the Board. Exhibit S-12: Man hours and hourly earnings D.B.S.-72-003. Exhibit S-13: Excerpt from the book "The Third Solitude" ("La Troisième Solitude"). Exhibit S-14: Letter of agreement reached by the Montreal Catholic School Board and the National Syndicate of Employees of the Montreal Catholic School Board (CNTU). Exhibit S-15: Order-in-Council No. 1308 - Quebec Official Gazette, August 20, 1966.

Mr. Gauthier, a member of the Board, asked that the employer file a statement of the hours worked and of the salaries earned and paid to all the employees from January 1 to June 30, 1966. The next hearing was called for November 15, 1966, to permit the preparation of this statement.

November 15, 1966--Sixth session. The same were present, as well as Mr. Claude Doré, who concluded his submission on wages. Exhibit S-16: Decree concerning garage employees. Exhibit S-17: Statement on vacations. Mr. Richard began the submission of employer's proposals and the analysis of the Syndicate's demands as to rates and to wages. Exhibit P-5: Decree concerning the trucking industry is produced. He began cross-examining Mr. Claude Doré on his submission.

November 16, 1966--Seventh session. All were present, including Mr. Doré. The parties produced an agreement signed by them to extend the report until November 28, 1966, according to Section 35 of the Act. Mr. Richard produced the following documents: Exhibit P-6: Wage and salary scale in the Montreal area. Exhibit P-7: Great West Life Insurance Policy covering life, accidental death, loss of limbs, sickness, hospitalization, surgical costs, ambulance, laboratory and X-Ray costs covering the employees. Exhibit P-8: Schedule of benefits proposed by the employer. Exhibit P-9: Complete welfare and security plan proposed for the employees. He explained these documents as compared with the rate and wage demands contained in the Syndicate's proposal.

November 16, 1966--Eighth session. All were present, including Mr. Doré. Mr. Richard continued his account and explanations on the benefits offered and produced Exhibit



P-10: Statement of hours worked and wages paid to the employees of Rod Service for the period from January 1 to June 30, 1966. Exhibit P-11: List of seniority rights of the drivers employed by Rod Service. Exhibit P-12: List of classification of garage employees.

November 18, 1966--Ninth session. All were present. Mr. Richard completed his account by explaining the various advantages represented in the employer's offer and produced Exhibit P-13: Statement of hours worked and wages paid by the employer during September 1966. He made the following offers for wages:

1--For drivers (departments A and B):

\$2.07 an hour for one year from June 3, 1966 (and if an extension is refused) at the same working conditions as exist at the present time.

\$2.44 from June 3, 1967 to June 3, 1968 (40 hours)

\$2.53 from June 3, 1968 to June 3, 1969 (40 hours)

2--For mechanics and body-repair men:

	June 3, 1966	June 3, 1967 (40 Hours)	June 3, 1968
Class A	\$2.10	\$2.48	\$2.58
Class B	2.00	2.36	2.46
Class C	1.90	2.24	2.34
Apprentices	1.55	1.80	1.88
Service men	1.80	2.12	2.22
Labourers	1.55	1.83	1.88
Watchmen	1.30	1.53	1.58

The parties asked for time to examine the demands made by the Syndicate as to wages and the offer made by the employer. The hearing is continued (sic) "sine die".

November 19, 1966--Tenth session. Messrs. Bergeron and Gauthier, members of the Board, prepared the necessary matter for the next session in order to report to the Chairman, who was not present at the session.

November 23, 1966--Eleventh session. All the members of the Board were present. Study of the demands and of the offer. The employer had a P-2 revised text sent to the members of the Board.

November 24, 1966--Twelfth session. All the members of the Board were present. During that session, the Board studied the following questions: wages, hours of work, retroactivity and term of the agreement.

The members of the Board studied various formulas which, in their opinion, would offer a basis of compromise. In order to settle these questions, the Board decided to call, for 10.00 a. m. on the 25th, the representative of the parties.

November 25, 1966--Thirteenth session. All the members of the Board were present as well as the Syndicate officers and the main officials of the employer. The Chairman of the Board pointed out to the parties that it was essential that each party review its positions if they wished to reach a settlement and consequently asked them to inform the Board on what conditions they would assent to sign a collective agreement. The officers of the parties agreed to do this work and left separately. In the morning, the Syndicate submitted to the employer counter-proposals on the following sections of its initial proposal (S-3):

Section 1--Purpose

Section 2--Recognition

Section 3--Jurisdiction

Section 4--Definition of terms

November 25, 1966--Fourteenth session. The same persons were present. The Syndicate submitted other texts on the following sections of the same proposal:

Section 18--Settlement procedures of grievances and disputes and arbitration

Section 5--Union system

Section 6--Union matters

A clause concerning functions of management which did not appear in its initial proposal but which was part of the employer's proposals.

After consulting the union and management members of the Board, the Chairman of the Board indicated to the parties that it seemed preferable to consider immediately the question of wages, hours of work, retroactivity and of the term of the agreement, since failing agreement on these matters, the time that might be required to agree on the other terms of the agreement would have no practical results.

However, in the event of an agreement on the above-mentioned monetary questions, these other terms would be re-examined. The parties accepted to follow this procedure.

Late in the afternoon, the union member of the Board informed the employer member, in the presence of the Chairman of the Board, that it was difficult for the Syndicate to formulate at this stage a counter-proposal on the above-mentioned monetary questions, considering the complexity brought about by the problem of the reduction in the hours of work, and asked him to discuss with the employer to ascertain whether the latter could submit a new proposal concerning the above-mentioned monetary terms. After discussion with the employer, the management member of the Board informed the other members of the Board of the amendments brought by the employer to its proposed collective agreement and a new proposal on the above-mentioned monetary matters. The amendments to the proposed collective agreement submitted by the employer (P-2-A) correspond as follows to the union proposals made during the day:

(a) Definition of terms: Delete the term "in the departments of drivers" in the last sentence.

(b) New paragraph to be included, giving the definition of the terms:

The Employer agrees to inform in writing the new employee of his statute and to send a copy of this notice to the Syndicate in the week following the hiring.

(c) Union matters: The following text is proposed:

If the Employer asks the employee or his union representative to meet him to discuss a grievance during the working hours of the employee concerned, this employee shall be paid straight time for the time required. The time of the meeting will not be considered as hours worked.

(d) Insurance premium: As proposed in Exhibit P-8 and P-9 in addition to compensation from the fifth rather than from the eighth day of certified sickness. The premium of these insurance plans will be paid as follows: 50% by the employer and 50% by the employee.

(e) Hours of work: forty (40) hours from July 1st, 1967; from February 1st, 1967, all work authorized and carried out after forty-eight (48) hours in a week will be paid at time and one half the employee's hourly rate.

(f) Permanent employees: Drivers:

to the date of the signing	\$2.12 an hour
to July 1, 1967	\$2.50 an hour
to July 1, 1968	\$2.60 an hour



Retroactivity to June 3, 1966 - \$0.15 an hour to every permanent employee who is in the service of the employer at the date of the signing of the agreement for the hours worked as shown in the registers of the employer.

(g) Permanent employees: Garage:

At signing July 1, 1967 July 1, 1968

Mechanics

A	\$2.15	\$2.53	\$2.64
B	2.05	2.41	2.51
C	1.95	2.28	2.37
Apprentices	1.60	1.84	1.91

Body men

A	\$2.15	\$2.53	\$2.64
B	2.05	2.41	2.51
C	1.95	2.28	2.37
Apprentices	1.60	1.84	1.91

Service men \$1.85 \$2.15 \$2.24

Labourers \$1.60 \$1.84 \$1.91

Watchmen \$1.35 \$1.58 \$1.65

Retroactivity - same basis as in the case of permanent drivers.

(h) The seniority list of permanent employees as it appears in Exhibit P-11.

(i) Term of the agreement: until June 30, 1969.

The employer member of the Board discussed with the Syndicate the new management proposal concerning the drivers' wages and submitted the following counter-proposal on behalf of the Syndicate:

As of June 4, 1966 - \$2.50 an hour.

As of the date of the signing of the agreement - \$2.67 plus \$0.03 for each postal parcel, every special delivery and every mailbox pickup, which would represent a weekly amount of approximately \$25.00; moreover, the same weekly amount shall apply to heavy mail handlers.

As of July 1, 1967 - \$2.82 along with the commissions or their equivalent to come into effect on the date of the signing.

As of February 1, 1968 - \$2.97 along with the commissions or their equivalent to come into effect on the date of the signing.

A two-year collective agreement effective June 3, 1966.

The forty-hour week effective as of July 1, 1967 (date which was also proposed by the employer).

The management proposal on wages includes the compensation of hours worked, except those it considers equivalent to overtime and figured after fifty hours a week, whereas the union proposal is figured on the basis of the total number of hours worked, which is established on an average of sixty hours a week.

The employer declared that the last union proposal could in no way be considered as a basis for settlement.

Considering the reply of the employer to the last wage proposal, the union afterwards informed the Board that it was withdrawing the compromises discussed hitherto and that it was sticking to its original demands, as stated in Exhibit S-3.

November 28, 1966--Fifteenth session. All the members of the Board were present. The members of the Board proceeded with the preparation of their report.

November 28, 1966--Sixteenth session. All the members of the Board were present. The members of the Board completed their report.

(Sgd.) Pierre A. Badeaux,  
Chairman.

UNION'S PROPOSED AGREEMENT

1. Aim of the Agreement

The aim of this agreement is to maintain and promote existing relations between the Employer and the Union and to provide for a procedure for the settlement of problems which may arise.

2. Recognition

The Employer acknowledges that under the union certification granted on November 19, 1965 by the Canada Labour Relations Board, the Union is the sole bargaining agent for the employees governed by the said certification as regards working conditions and wages.

3. Jurisdiction

This collective labour agreement applies to all employees in the bargaining unit to whom this Union certification applies, except part-time employees.

4. Definition of Terms

For the purpose of the application of the provisions of this agreement, the following terms are defined as follows:

The term "permanent employee" means any employee having completed sixty (60) working days in the service of the employer. The employee having thus acquired the status of permanent employee retains this status subsequently. It is agreed that Appendix " " represents at the date of signature of this convention the official list of permanent employees in the service of the employer.

The term "temporary employee" means any employee hired on trial or on a temporary basis and who has not completed sixty (60) working days in the service of the employer.

The term "part-time employee" means any employee hired for a number of hours not exceeding twenty (20) per week. (The employer agrees not to reduce the staff by using part-time employees.) The work of part-time employees shall not be prejudicial to the number of regular hours to be performed by any employee nor to any other benefits to which the employee may be entitled to under this agreement.

PROCEDURE FOR THE SETTLEMENT OF GRIEVANCES AND DISPUTES

The Employer and the Union firmly wish to settle justly and with the shortest possible delay any grievance or dispute concerning wages and working conditions which may arise during the term of this agreement.

Any employee accompanied by a representative of the Grievance Committee or of a member of the Union Executive Committee is free, before submitting any grievance or dispute, to attempt to solve the problem with his immediate supervisor. Should they fail to come to an agreement, the Employer and the Union agree to follow the following procedure:



### 1st stage:

Any employee who deems to have been wronged submits his grievance or dispute to the Union Grievance Committee, which makes a study of it, carries out the necessary inquiry during working hours and determines the actions and means to be taken for the settlement of the grievances or the dispute so submitted to the said Committee. Where a grievance or a dispute is turned down by the said Committee the employee has no other recourse.

### 2nd stage:

Within the time limit provided in the first stage, the employee, accompanied by a representative of the Grievance Committee or of a member of the Union Executive Committee, may, if he so desires, submit in writing the said grievance or dispute to the Vice-President or to the Secretary-Treasurer of the Employer. Either one or the other must meet the Union representatives within two (2) working days following the date at which he has received the Union's request for an interview. The Vice-President or the Secretary-Treasurer of the employer must give the Employer's decision in writing to the Union within the two (2) working days immediately following the date of the interview.

### 3rd stage:

Should the Union contest the Employer's decision, or should no decision be given within the specified time limit, the Union may then submit the grievance or dispute to arbitration.

Notwithstanding any provision to the contrary, the Union is free to submit directly to the Employer any grievance or dispute relating to wages and working conditions.

Any employee submitting a grievance or a dispute may not, in any way, be penalized, annoyed or troubled by a superior for this reason.

The Employer and the Union may, in writing, depart from the present procedure.

## UNION SECURITY

Any employee who at the time of the signing of this agreement is a member of the Union must, in order to remain in employment, maintain his membership in the Union for the term of the agreement, unless he is expelled from the Union, in which case he may remain in employment but must pay an amount equal to the Union fees.

In order to remain in employment, any new employee must, after completing sixty (60) working days, become a member of the Union and so remain for the term of the agreement unless he is denied membership or expelled from the Union, in which case he may remain in employment but must pay an amount equal to the Union dues.

Any member must, to be hired and to remain in employment, agree to the periodical check-off by the Employer of the Union dues as provided in the Regulations of the said Union. The employee must, through a written notice similar to that given in Appendix " " hereto, authorize the payment of that amount over to the Union. The Employer makes such deductions and remits the total amount to the Union monthly.

Any employee must, in order to be hired and to remain in employment, agree to the periodical check-off by the Employer of an amount equal to that of the Union dues to be paid to the Union, provided for in the regulation of the said Union. The employee must, through a written notice similar to that given in Appendix " " hereto, authorize the payment

of that amount over to the Union. The Employer makes such deductions and remits the total amount to the Union monthly.

The Union is authorized to post in the premises concerned of the Employer, on bulletin boards supplied by the latter, notices of its meetings and, with the authorization of the Employer, any other notice.

## ARBITRATION

The Arbitration Board to which a grievance or a dispute is submitted comprises one (1) arbitrator named by the Union, one (1) arbitrator named by the Employer and one (1) chairman.

In the five (5) days following the date of their appointment, the members nominated by the parties must consult and attempt to agree on the choice of a person to act as Chairman. Should they fail to come to an agreement, the Minister of Labour is called upon by the applicant party to name ex officio a Chairman.

Members of the Board must act according to the Act, with impartiality and conscientiously.

Any vacancy resulting from the death, resignation, incapacity or refusal to act is filled according to the procedure established for the original nomination. Should a party fail to nominate, within fifteen (15) days following the date of the application for arbitration, its representative on the Board or fail to name within the same time limit a replacement for the member it had previously nominated, the Minister of Labour is called upon by the opposing party to name ex officio this representative.

The Board proceeds speedily with the examination of the matter submitted in accordance with the procedure and the method for the submission of evidence it deems appropriate. The hearings of the Arbitration Board are opened to the public; the Board may, however, on its own or at the request of one of the parties, order the hearings to be held in camera.

The Chairman is entrusted with all the powers of a judge of a Superior Court for the holding of hearings of the Board; he cannot, however, order imprisonment. At the request of the parties or of the Board, witnesses are summoned by written order under the signature of the Chairman, who may have the said witnesses sworn in. The Chairman may convey or otherwise give notice of any order, document or procedure emanating from the Arbitration Board or from the parties concerned.

The Arbitration Board award may be unanimous or a majority award; the reasons for this award are made known and the award is signed by the members who support it. For lack of unanimous or majority award, the Chairman makes the award alone. Any dissenting member may make a separate report. The Chairman forwards the original award to each of the parties concerned.

At any time prior to its final award, an Arbitration Board may make any interim decision which it deems fair and useful.

The arbitration award is final and binding.

The members of the Arbitration Board are paid and their expenses are reimbursed to them by the parties who named them or whom they represent on the Board. The Chairman of the Arbitration Board is paid and reimbursed for his expenses by the parties, the amount being shared equally between them.

These provisions do not prevent the parties from referring to a single arbitrator, by common consent, any grievance, dispute, conflict or misunderstanding.



## UNION BUSINESS

The Union representatives, the number of whom must not exceed three (3), may, after due notice to their immediate supervisor, absent themselves from work for the required period, and this without any loss of wages, on the occasion of:

- 1 - the bargaining of a collective agreement,
- 2 - inquiries into grievance or dispute,
- 3 - bargaining of grievances and disputes with the Employer's representatives,
- 4 - joint meetings of the Employer and the Union.

Three (3) authorized representatives of the Union may, after due notice to their immediate supervisor, absent themselves from work, without loss of wages, to discuss with the officers of the Employer, on grievances or disputes. These same provisions apply to meetings called by Officers of the Employer.

Three (3) authorized representatives of the Union may, after due notice to their immediate supervisor, absent themselves from work for the required period, with loss of wages, on the following occasions:

- 1 - Conciliation of the collective labour agreement
- 2 - Hearing of grievances or disputes. The plaintiffs and witnesses may equally, after due notice to their immediate supervisor, absent themselves from work and this for their required period, with loss of wages.

Any authorized representative of the Union may, after a notice given to the Employer, absent himself from work to participate in professional or Union conventions, with loss of wages.

Except if otherwise provided, any member of a Union

may be accompanied by a representative of the Grievance Committee or a member of the Executive Committee of the Union when he is called by or meets with a representative of the Employer.

## FUNCTIONS OF MANAGEMENT

The Union agrees that the administrative control and management of his undertaking in conformity with the Act and the provisions of this Agreement rest upon the Employer. The Employer recognizes the Union as the only union organization duly authorized to represent the employees in all matters concerning wages and other working conditions.

Subject to the provisions contained in this agreement, the Union agrees that the usual functions of management rest upon the Employer, namely:

- (a) The right to manage and control;
- (b) The right to restrict or put an end to any activity;
- (c) The right to apply the regulations concerning working schedules, safety, order and discipline and the regulations aiming at the protection of employees, buildings and equipment;
- (d) The right to hire and manage the staff;
- (e) The right to make decisions and give effect to decisions concerning disciplinary actions, layoffs, re-hirings, promotions, transfers.

Any grievance or dispute arising from a decision taken under this article or relating to working conditions provided for in this agreement or related to an amendment by the Employer or a working condition not provided for in this agreement must be submitted for inquiry and settlement in accordance with the grievance procedure contained herein.

Report of Board of Conciliation and Investigation established to deal with dispute between

The Hamilton Harbour Commissioners  
and  
Canadian Union of Public Employees

The Board of Conciliation and Investigation established to deal with a dispute between The Hamilton Harbour Commissioners and Local 958 of the Canadian Union of Public Employees was under the chairmanship of J.C. Pelech of Hamilton, Ont. He was appointed by the Minister of Labour in the absence of a joint recommendation from the other two members of the Board, S.E. Dinsdale, Q.C., of Toronto and James Cooke of Hamilton, who were previously appointed on the nomination of the Commissioners and Union, respectively.

The report of the Chairman and Mr. Dinsdale constitutes the report of the Board. A minority report was made by Mr. Cooke. The reports were received by the Minister of Labour in November.

This was a Board of Conciliation and Investigation appointed to endeavour to bring about agreement between the parties respecting the terms to be incorporated in their first collective agreement governing conditions of employment.

The Board met in Hamilton on October 3, 1966 and on October 11, 1966, and, with the permission of the Board, the Chairman met with the parties alone and the full Board met again on October 12, 1966 (continued to October 13, 1966) to hear the parties and deliberate.

### THE BOARD RECOMMENDS:

A collective agreement be entered into to take effect as of the date of signing same by both parties and shall remain

in full force and effect until the 25th day of January 1968, in the same form of agreement proposed by the Company, with the exception of the following recommended changes.

That Article 8.02 of the proposed agreement be amended by substituting the word "representatives" for the words "a representative".

That Article 8.04 be amended by adding at the end thereof the following sentence: "The Union shall have the right to grieve any decision of the Commission rendered with respect to this article".

Article 9.01 shall be amended by substituting the word "two" for "three" prior to the word "departments" and by substituting the following two departments, namely:



(1) Patrolman and (2) Gateman, for (1) Harbour Police Patrolman, (2) Shore Police Patrolman and (3) Gateman. Article 9.02 shall be amended by substituting "two" for "three" prior to "seniority lists".

Article 9.05 shall be amended by substituting the word "three" for "six" throughout the article.

Article 12.07, step No. 1, be amended by substituting the words "Two (2) working days" for "forty-eight (48) hours".

Article 12.09 be amended by adding the words "for the same occurrence" at the end of the article.

Article 12.10 to be amended by replacing it with the following:

In the event of an alleged violation of the "No Strike or Lockout" article hereof, the aggrieved party may cause the matter to be submitted to special arbitration and a special arbitrator may be appointed by the aggrieved party and the special arbitrator shall hold a hearing immediately or within twenty-four (24) hours of his being appointed. In such special cases all other provisions of the grievance and arbitration provisions of this agreement are bypassed. The special arbitrator shall be any of the following judges appointed in sequence as listed below:

- |                   |                    |
|-------------------|--------------------|
| 1. J. C. Anderson | 6. Harold Lang     |
| 2. C. E. Bennett  | 7. Walter Little   |
| 3. Harold Fuller  | 8. P. S. MacKenzie |
| 4. Joseph Kelly   | 9. R. W. Reville   |
| 5. W. F. Lane     | 10. D. C. Thomas   |

If no arbitrator is available from among the foregoing, the parties shall immediately attempt to agree upon an arbitrator. If the parties are unable to immediately agree upon an arbitrator, who is available to hold a hearing immediately or within twenty-four (24) hours, the grievor may request the Minister of Labour for the Government of Canada to appoint as arbitrator a member of the County Judiciary of Ontario. Provided that if Judges are unable to act by governmental decree, the grievor may request the Minister of Labour for the Government of Canada to appoint as arbitrator anyone he deems fit. Provided further that the special arbitrator appointed as herein provided shall determine if the strike or lockout is unlawful and shall have the power to order the end of such activity, any other issues shall be reserved by the said arbitrator to be determined at some later date at which time submissions would be heard from both parties.

Article 13A shall be amended by deleting Article 13A.17 and by substituting the following for 13A.15:

A collective agreement made under these provisions takes effect on the first day following the termination date of any previous agreement unless another day is named in the agreement, decision or award in lieu thereof.

Article 18.03 shall be amended by deleting the words "either by granting lieu time off or".

Article 18.05 shall be amended by adding "at the rate of time and one-half" after the word "therefore".

Article 19.01 shall be amended by deleting the words "or day in lieu thereof without loss of pay".

Article 20.02 shall be amended by deleting the words "ten years" and inserting the words "seven years" in place thereof.

Article 20.04 shall be amended by adding the following

at the end thereof:

Provided that, if it is necessary for the employee to take his vacation in the winter season, then the employee shall receive an additional one-week vacation with pay.

Article 21.01 shall be amended by adding the following:

Each employee shall be credited with one and one-quarter days of sick leave credits accumulative to a maximum of three hundred (300) days for each month of unbroken service.

Article 22 shall be amended by adding paragraph (d) to Article 22.01 as follows:

The parties hereto acknowledge that upon January 3, 1966, they signed an agreement in respect of pensions. Such agreement being effective from the 1st day of January 1966.

Article 23.01 shall be amended as follows:

- 1 pair of shoes per year
- 1 pair of overshoes every 2 years
- 1 winter tunic every 2 years
- 1 summer tunic every 2 years
- 1 pair of summer trousers per year
- 1 pair of winter trousers per year
- 1 summer cap per year
- 1 winter cap per year
- 2 ties per year
- 1 winter overcoat every 3 years
- 4 shirts per year (2 of which are to be summer shirts and the remaining 2 to be winter shirts)
- 1 pair of mitts or gloves every 2 years
- 1 pair of coveralls to the Marine Police every 2 years
- 1 raincoat per man until same is worn out but not more than once every 3 years

Article 25 is to be deleted.

Article 28.01 is to be completed as follows:

This agreement shall become effective on the date of execution as set out below and shall remain in force and effect until the 25th day of January 1968, and shall continue automatically thereafter for annual periods of one (1) year, unless either party notifies the other party in writing as provided for in clause 28.02 hereof of its desire to negotiate amendments to this agreement.

Schedule B is as follows:

Classification	Effective April 1, 1966	Effective January 25, 1967
Gateman	3% increase	3% increase
Shore Police Patrolman	11% increase	7% increase
Harbour Police Patrolman	11% increase	7% increase
Sergeant	11% increase	7% increase

With respect to summer scheduling of working hours and safety equipment on the boats, the Port Director is to meet with a representative of the Union to make arrangements for mutual satisfaction of any problems. It is further understood that the time clock respecting the Union employees is to be removed.

All of which is respectfully submitted, dated at Hamilton, Ontario, this 27th day of October, 1966.

(Sgd.) John C. Pelech,  
Chairman.

(Sgd.) Stanley Dinsdale,  
Member.

## MINORITY REPORT

At the outset of this report I wish to commend the Chairman, Mr. John Pelech, for his complete impartiality and also for the fair consideration that he extended to both parties.

In my opinion there are only a few areas in which I must disagree with the Chairman's report, and they are centered around his first recommendation, as follows:

The agreement proposed by the Company and mentioned by the Chairman, contains the following unjust section:

5(c) The right to determine the location and extent of its operations and their expansion or curtailment, the direction of the working forces, the services to be furnished, the sub-contracting of work, the schedules of work, the number of shifts, the methods, processes and means of performing work, job content, quality and quantity standards, the right to use improved methods, machinery and equipment, overtime, and the right to decide on the number of employees needed by the Commissioners at any time, are solely and exclusively the right of the Commissioners.

### Subcontracting of Work Without a Protective Clause

This section, stripped of all its legal gobbledeygook, involves simply job security, and all the Union requested was a protective clause to ensure that no member would lose his job as a result of such subcontracting-out.

This, management claims, is a right that they will never use. One wonders why, then, their vigorous insistence on its inclusion--and without a protecting clause. If one takes their reasoning at face value one can only conclude that this was done to wreck any chance of a conciliation agreement, because obviously no union could under any circumstances agree to give the company the power to hire security guards and thus put all the union members out of work.

Certainly, recent actions along this line by the company have raised feelings of apprehension in the minds of the union membership. I refer specifically to the cases of office workers Joe Massey (eleven years' service), Jerry Wase

(seven years) and Alex Martin (two years), who were let go and their work taken over by the steamship lines. The company's stubborn insistence respecting retention of the clause 5(c) --Subcontracting-Out-- is all the more amazing when one considers that the Union were ready to relinquish their right to strike, based of course on their receiving an equitable wage and job security.

In effect, this group of seventeen men, in the name of the public good, were saying: "We will surrender this powerful strike weapon". Union homogeny (Longshoremen, Teamsters) would completely close down a port which is vital to the economy of the country in general and of the City of Hamilton in particular. My feeling is that the company should have shown an equal sense of responsibility.

Unfortunately, there can now be little doubt that the seventeen men comprising this small union will never willingly surrender their right to strike.

The entire (submission) by the company is a legalistic mishmash, written in the most intricate, convoluted form, seemingly for the sole purpose of shearing the lambs completely of their fleece. I shall not go over this company-oriented document section by section; instead, I shall only mention one typical example, which is Section 9.06, contained on page 8, as follows:

9.06 Seniority During Absence. If an employee is absent from work because of sickness, accident, lay-off or leave of absence, approved by the Commissioners, he shall not lose seniority rights, save and except as provided herein.

As you can see, by the comma after the word "absence" workers would require the Company's permission to have a broken leg. The company sincerely insists that this would not be the case; nonetheless the comma stays.

This, then, forms the nucleus of my objections to the Chairman's Report.

All of which is respectfully submitted.

DATED at Hamilton, this twenty-ninth (29) day of October A.D. 1966.

(Sgd.) James L. Cooke,  
Member.



# CANADA LABOUR RELATIONS BOARD

## Reasons for Judgment in Application for Certification affecting

Canadian Merchant Service Guild	Applicant
and	
British Columbia Ferry Authority	Respondent
and	
B. C. Government Employees' Association	Intervener
and	
The Attorney-General of British Columbia	Intervener

The Board consisted of A.H. Brown, Chairman, and A.H. Balch, E.R. Complin, A.J. Hills, Gérard Picard and Harry Taylor, members.

The Applicant, a trade union, applies to be certified as bargaining agent for each of two units of employees of the Respondent employed upon or in connection with a water transportation undertaking operated by the Respondent for the transport of passengers and road transport vehicles between coastal ports in the province of British Columbia. One such unit comprises masters, mates and radio operators, and the other unit comprises marine engineers, including junior engineers and electricians so employed.

Respondent is a Crown corporation created under the authority of the British Columbia Ferry Authority Act enacted by the Legislature of the Province of British Columbia. By the provisions of that Act, the Respondent is declared to be an agent of the Crown in the right of the Province, and the provisions of the British Columbia Civil Service Act are made to apply to the employees of the Respondent, including the employees in the proposed bargaining units. Thus, by virtue of the provisions of the British Columbia Ferry Authority Act and under the authority of the British Columbia Civil Service Act, the employees in the bargaining units in respect of which certification is applied for are employees of the Crown in the right of the Province of British Columbia.

The effect of Sections 54 and 55 of the Industrial Relations

and Disputes Investigation Act is that the Act has only a limited application to the Crown in the right of Canada and its employees. Apart therefrom, it is not expressly stated in the Act that the Crown is bound thereby.

The Board is of opinion that the Act does not apply to the Crown in the right of the Province of British Columbia, the employer of the employees in the proposed units; see sections 16 and para (11) of section 35 of the Interpretation Act, chapter 158 R. S. C. 1952 as amended by section 2 of chap. 9 S. C. 1952-53 and *In re Silver Brothers Limited* (1932) A. C. 514.

In view of this conclusion, it is unnecessary to pass upon other arguments advanced by the Respondent and the Interveners in support of their submissions that the provisions of the Industrial Relations and Disputes Investigation Act do not apply to the employees in the proposed bargaining units and their employer.

Both applications for certification made by the Applicant are rejected accordingly.

(Sgd.) A. H. Brown,  
Chairman, for the Board.

Issued at Ottawa, November 2, 1966.

## Reasons for Judgment in Application for Certification affecting

Seafarers' International Union of Canada	Applicant
and	
Three Rivers Boatman Ltd.	Respondent

The Board consisted of A.H. Brown, Chairman, and A.H. Balch, E.R. Complin, J.A. D'Aoust, A.J. Hills, and Donald MacDonald, members.

The Judgment of the Board was delivered by the Chairman.

The Applicant, a trade union, applies to be certified as the bargaining agent for a unit of employees of the respondent comprised of employees in the classifications of captain, engineer, seaman, machinist, mechanic, maintenance man,

labourer, and clerk employed upon or in connection with a water transportation or shipping undertaking carried on by the respondent out of the Port of Trois-Rivieres on the St. Lawrence River in the Province of Quebec.

The respondent contends that the undertaking or business upon which the employees in the proposed bargaining unit are employed is a local undertaking or business which by its nature does not fall within the classes of undertakings and businesses to which the provisions of Part I of the Industrial Relations and Disputes Investigation Act applies and without prejudice to this contention submits that employees in the classifications of captain, engineer, and clerk are not appropriate for inclusion in the proposed unit.

The respondent is a corporation which has its head office at St. Antoine de Tilly, a point on the St. Lawrence River some 65 miles from Trois-Rivieres, and has a shipping office at Trois-Rivieres. Respondent operates five boats designated as service boats or ships' tenders at the harbour of Trois-Rivieres to provide the transport of pilots from and to the Canada Department of Transport office at Trois-Rivieres to be put aboard or brought ashore from ships proceeding up or down the St. Lawrence River, including trans-ocean, eastern coastal and domestic shipping, in order to provide such ships with the pilotage services required for navigation purposes on the section of the St. Lawrence River serviced from the Trois-Rivieres Canada Department of Transport station. The respondent may be called upon also to transport on its boats customs officers and medical officers for other departments of the Government of Canada and shipping companies' agents on ships' business to ships proceeding up river and may transport also ships' officers and crewmen from shore to ship and ship to shore for ships anchored in the river in the vicinity of Trois-Rivieres on request of the ship's captain; however, the requirements for these services are irregular.

It is clear from the evidence that the primary purpose of the respondent's undertaking in which its service boats are engaged is the transport of pilots from shore to ship and ship to shore to ships requiring pilotage services in proceeding up and down the St. Lawrence River. For this purpose the respondent provides a 24-hour-a-day service operating on a three-shift per diem basis. These service boats operate within a radius of some five miles up and down stream from the harbour. The crew on each of these service boats consists of a captain and a seaman. The shore-based personnel employed by the respondent to service these boats consists of two marine engineers, a mechanic, a machinist, a maintenance man and a labourer. All of these employees, together with a clerk who is in charge of a shop maintained by the respondent at St. Antoine de Tilly, where its boats are built and repaired, comprise the proposed bargaining unit.

The rates for transport of pilots by the respondent on its boats to and from ships for purposes described above are settled by agreement between the respondent and the Shipping Federation of Canada as the agent for foreign registered ships and by agreement between the respondent and the Dominion Marine Association as agent for Canadian registered ships. The respondent bills the shipping company or its agent, the Shipping Federation of Canada or the Dominion Marine Association as the case may be, for services so rendered at the fee rate established as above described.

Respondent holds a permit issued by the Public Service Board of the Province of Quebec authorizing the respondent to operate a maritime transportation service described as transportation from any wharf in the City of Trois-Rivieres to any ship in motion or any ship anchored in the river or moored alongside a wharf at the City of Trois-Rivieres or

vice versa of pilots, mail except mail bags from the Post Office Department, and of merchandise addressed and belonging to crew members or to passengers of such a ship and also to look after the towing of ships in the Port of Trois-Rivieres.

The provision for transport of pilots from shore to ship and ship to shore at other Canada Department of Transport pilotage stations up or down the St. Lawrence River from Trois-Rivieres, as, for example, Quebec City, Lanoraie and Montreal, is handled by private firms in the same manner and under similar arrangements to those prevailing at Trois-Rivieres with one exception, namely, at Les Escoumins in the Province of Quebec, where ships entering the river from the Gulf of St. Lawrence first require pilotage services. The transport services for pilots from shore to ship and ship to shore at this point are provided by a Canada Department of Transport pilot boat operating from a departmental station at that point.

The Board concludes on the evidence that the respondent's primary business involves directly an aspect of pilotage. It has been held that the subject of pilotage falls exclusively within the jurisdiction of the Parliament of Canada--see *Paquet v Pilots' Corporation* (1920) A.C. 1029. Furthermore, to the limited extent that the respondent provides services going beyond the subject of pilotage, it would appear that these services should properly be regarded as an essential part of navigation and shipping within the principles recognized by the Supreme Court of Canada in *Eastern Canada Stevedoring Company Limited Reference* (1955) S.C.R. 529. As Kerwin, C.J., observed in that Reference at pages 536 and 537, "The circumstance that the Company is an organization independent of the steamship companies with which it contracted, does not, in my opinion, affect the matter, and I find it difficult to distinguish the employees we are considering from those engaged in similar work, employed directly by a shipping company whose ships ply between Canadian and foreign ports."

The Board is of opinion, accordingly, that the employees in the proposed bargaining unit are employed upon an undertaking or business to which Part I of the Industrial Relations and Disputes Investigation Act applies.

The Board finds that a unit of employees of the respondent employed upon or in connection with the said undertaking comprised of employees in the classifications of seaman, engineer, mechanic, machinist, maintenance man, labourer, and excluding captain, clerk, and secretary to the president, is appropriate for collective bargaining and that a majority of employees in the said unit are members in good standing of the Applicant.

An order will issue certifying the Applicant as bargaining agent for the said unit of employees of the Respondent.

(Sgd.) A.H. Brown,  
Chairman, for the Board.

Dated at Ottawa, November 29, 1966.



Reasons for Judgment in Application for Certification affecting

Seafarers' International Union of Canada  
and  
Agence Maritime Inc.  
and  
United Mine Workers of America

Applicant  
Respondent  
Intervener

The Board consisted of A.H. Brown, Chairman, and A.H. Balch, E.R. Complin, J.A. D'Aoust, Jacques Guilbault, A.J. Hills and Gérard Picard, members.

The Judgment of the Board was delivered by the Chairman.

The Applicant applies to be certified as bargaining agent for a unit of employees of the Respondent comprised of all unlicensed personnel including those in classifications of boatswain, seaman, cook and assistant cook employed on board the ships of the Respondent. The Board finds upon the report of its investigating officer following upon his check of the payroll records of the Respondent and the membership records of the Applicant that there were 13 employees in the proposed bargaining unit at the date of the application, of whom 11 were members in good standing of the Applicant.

The Intervener who opposes this application was certified by this Board in November 1964 as bargaining agent for employees of the Respondent in the proposed bargaining unit. The Intervener is also a party to a collective agreement with the Respondent covering said employees dated June 1, 1966, to have effect from June 1, 1966 and to run for a term of 24 months. This agreement was entered into subsequent to the date of the present application for certification and replaces a collective agreement entered into between Local Union 15410 United Mine Workers of America, District 50, dated May 15, 1965, to have effect for a term of 36 months from April 1, 1965. It is not a bar to the making of the present application for certification.

The Respondent is a shipping company with its head office at Quebec City, Que. It owns and operates three ships in its shipping operations for the transportation of general cargo upon which the employees in the bargaining unit for which the applicant applies to be certified are employed.

The Respondent contends that the provisions of the Industrial Relations and Disputes Investigation Act do not apply to the employees in this unit or the Respondent as Respondent's shipping operations are confined to the territorial limits of the province of Quebec and is a local undertaking within that province.

According to the evidence given to the Board, the Respondent owns and operates three ships in the transportation of general cargo. In the shipping season, two of these ships ordinarily operate on a weekly shipping schedule proceeding from the ports of Montreal and Quebec to points on the north shore of the St. Lawrence River in the province of Quebec and particularly to Sept-Îles and Baie Comeau and return. The third ship ordinarily operates on a similar schedule from Montreal and Quebec City to points on the south shore of the St. Lawrence River and to points on the south shore of the Gaspé Peninsula in the province of Quebec. In these operations the ships normally travel in the same navigation channels on the St. Lawrence River seaway as the trans-oceanic ships.

Apart from these operations within the province of Quebec, ships of the Respondent proceeded from points in

the province of Quebec to the Port of Toronto in the province of Ontario on two occasions in 1964 to pick up large electric transformers from each of the Canadian General Electric Co. Ltd. and the Westinghouse Co. of Canada Ltd. for delivery to the Quebec Hydro Electric Corporation at Sept-Îles and Baie Comeau, Que., under contracts with these two manufacturing firms. Respondent holds a three-year contract with the Quebec Hydro Electric Corporation to provide shipping services to that corporation for transport of equipment. The Respondent solicits cargoes coming forward to Toronto, Ont., by rail or ship destined for ultimate delivery at points in the province of Quebec, for transshipment to Respondent's ships at Toronto or Montreal for delivery to points on the lower St. Lawrence River and Gaspé coast. For this purpose, Respondent employs an agent at Toronto, who is paid on a commission basis to secure such business. Respondent on its business letterheads lists itself as having business offices at Toronto, Montreal, Quebec, Chicoutimi, Baie Comeau, Sept-Îles, St. Anne des Monts and Matane.

In the very large percentage of cases where cargo is booked with the Respondent at Toronto for transfer and delivery as above, the transfer of such cargo to the Respondent's ships is made at Montreal. In the cases where such transshipment is made at the Port of Toronto, the Respondent would use one of its own ships for such transport from Toronto if there is unused capacity in one of these ships for this purpose. If one of its own ships is not available for this purpose, the Respondent charters another ship and crew to provide the transport of such cargo to Montreal. According to the Respondent's evidence its volume of business emanating within the province of Quebec is at present so great that it cannot undertake to provide a regular scheduled cargo service to or from points outside of that province.

Upon consideration of the evidence and arguments submitted by the parties, the Board finds upon all the facts and circumstances that the employees of the Respondent in the proposed bargaining unit are employed upon or in connection with an undertaking or business to which the provisions of Part I of the Industrial Relations and Disputes Investigation Act apply.

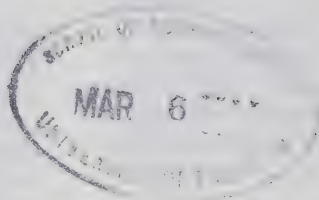
The Board finds that the proposed unit is appropriate for collective bargaining and directs that a vote be taken by secret ballot under the direction of the Chief Executive Officer of the Board with the names of the Applicant and the Intervener on the ballot.

(Sgd.) A.H. Brown,  
Chairman, for the Board.

Dated at Ottawa, November 2, 1966.

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Canada, Labour Board

Reports of Board of Conciliation ... Board No. 12, 1966

## CONCILIATION BOARD REPORTS

PERIODICALS READING ROOM  
(Humanities and Social Sciences)

### Conciliation Board Reports in disputes between

Consolidated Aviation Fueling and Services Limited, Montreal and International Association of  
Machinists and Aerospace Workers

Canadian Broadcasting Corporation and International Alliance of Theatrical Stage Employees and  
Moving Picture Machine Operators of the United States and Canada

A LABOUR GAZETTE SUPPLEMENT

CANADA DEPARTMENT OF LABOUR

Hon. John R. Nicholson, Minister

George V. Haythorne, Deputy Minister





## CONCILIATION BOARD REPORTS

Report of Board of Conciliation and Investigation established to deal with dispute between

Consolidated Aviation Fueling and Services Limited, Montreal  
and  
International Association of Machinists and Aerospace Workers

The Board of Conciliation and Investigation established to deal with a dispute between Consolidated Aviation Fueling and Services Limited, Montreal International Airport, and Lodge 869 of the International Association of Machinists and Aerospace Workers was under the chairmanship of His Honour Judge Armand Sylvestre of Montreal. He was appointed by the Minister of Labour in the absence of a joint recommendation from the other two members of the Board, H. McD. Sparks and Raymond Boulet, both of Montreal, who were previously appointed on the nomination of the company and union, respectively.

The report of the Chairman and Mr. Sparks constitutes the report of the Board. A minority report was made by Mr. Boulet. The reports were received by the Minister of Labour in December.

While the deliberations of the Board have taken some considerable time, it is in part due to the fact that the parties were very far apart on numerous items, thereby leaving to the Board the task of ascertaining comparable conditions.

It was only on Saturday, December 17, that there was any change in the position of the union from their original demand on wages and subsequently, on Sunday, December 18, the company made a change from the previous offer made before this Board.

The Board held several meetings in order to assist the parties in endeavouring to reach agreement on the many items in dispute.

While both parties maintained a very firm stand on their positions with respect to several items, it is the opinion of the Board that some of these can best be resolved by them, once a settlement of the financial matters is attained. In this connection the following are the recommendations of the Board.

Overtime Rates: No change from expired agreement.

Wash-Up Time: Employees will be allowed a ten-minute wash-up period prior to the termination of their shift.

Short Time Overtime: An employee who works more than two hours overtime shall be given a twenty (20) minute meal period with pay between the second and third hour of overtime.

Shift Premium: A shift premium of fifteen (15) cents an hour will be paid for all hours worked on scheduled shifts commencing between 12 noon and 7.59 p.m., inclusive, and a shift premium of twenty (20) cents an hour will be paid for all hours worked on scheduled shifts commencing between 8.00 p.m., and 5.59 a.m., inclusive. In addition, a shift premium, equivalent to that applicable to the employee's immediately preceeding regular shift, shall be paid for all overtime hours worked.

Lunch Periods: No change from expired agreement.

Statutory Holidays:

(a) Add St. Jean Baptiste Day.

(b) Add "in order to qualify for pay on statutory holidays employees are required to work their scheduled shifts on the day preceeding and the day following such holidays."

Rate of Pay for Working Statutory Holidays: No change from expired agreement.

Jury Duty: Employees subpoenaed as a witness will receive the same consideration as those subpoenaed for jury duty, provided that if in the opinion of the company the number of absence or the amount of the lost is excessive this provision may be withdrawn.

Severance Pay: No recommendation.

Sick Leave: No change from expired agreement.

Welfare Plan: The monthly amount paid by the company will be increased from \$6.00 to \$9.00, married. The monthly amount paid by the company will be increased from \$3.00 to \$4.00, single.

Vacations: Employees who complete eight (8) years service will be given three (3) weeks of vacation.

Management Rights Clause: To read as follows:

The Union recognizes that the Company shall have the sole right to the management and operation of the business including the direction and supervision of its employees, subject to the conditions of this agreement, the establishment of working conditions, the hiring, promoting, demoting of employees, the disciplining and discharging of employees for just cause. It is agreed that the rights enumerated above shall not be deemed to exclude other pre-existing rights of management not enumerated which do not conflict with other provisions of this agreement.

All of the above to be effective on and from the date of signing the new agreement.

The Board recommends that the parties undertake further studies with respect to the rearrangement of certain paragraphs in the agreement.

## WAGES

In determining the amount of a reasonable general wage increase and other benefits, it is necessary to consider rates being paid in comparable industries for comparable skills required and work performed. The services rendered by this company are opened for tenders periodically and are subject to competitive bidding. As this is solely a service industry, any company whose rates exceed by any considerable margin those of competitors is at a disadvantage. The companies performing fueling service cannot be compared to manufacturing industries, where to a certain extent technological advances offset the increase in wage rates.

In making comparisons, the rates used must be fair and reasonable and up to date.

Taking into consideration the above criteria, in addition to the fact that the proposed agreement will expire on June 14, 1968, it is our recommendation that a general wage increase of 20 cents an hour be effective June 15, 1966, and a further general wage increase of 20 cents an hour effective June 15, 1967. This would result in the employees concerned being paid at rates which compare favourably with those of others performing similar work.

The general wage increases shown below shall be effective for all employees on the payroll on the date of signing the new agreement, with retroactive payment of such increases for all hours worked on and after June 15, 1966.

Effective June 15, 1966 - A general increase of 20 cents an hour

Effective June 15, 1967 - A general increase of 20 cents an hour

It is recommended that a schedule be established to cover employees hired after the date of signing this agreement providing graduated increases to the established maximum rates.

Term of Agreement: Two (2) years commencing June 15, 1966; to expire June 14, 1968.

Having dealt with the monetary items, there remains a number of unresolved conditions. These are of such a nature that, with the limited time available, and the technical points involved, they can only be resolved by the parties themselves in direct discussion.

All other items previously agreed to in direct negotiations and before this Board shall be effective.

Respectfully submitted,

(Sgd.) A. Sylvestre,  
Chairman.

(Sgd.) H. McD. Sparks,  
Member.

MONTREAL, December 19, 1966.

## MINORITY REPORT

I regret that I am unable to agree with parts of the majority report.

My recommendations are:

Overtime Rates: 1966-67--All work in excess of eight (8) hours up to fourteen (14) hours shall be paid at time and one half. All work in excess of fourteen (14) hours shall be paid at double time.

1968--All work in excess of eight (8) hours up to twelve (12) hours shall be paid at time and one half. All work in excess of twelve (12) hours shall be paid at double time.

Rate of Pay for Working Statutory Holidays: Double time shall be paid for hours worked on statutory holidays. An employee must work the day preceeding the statutory holiday and the day following the holiday.

Severance Pay: Any employee who is discharged or laid-off because of technological change in automation shall be entitled to severance pay equivalent to one week's pay for each year of service in the employ of the company to a maximum of ten (10) weeks.

Sick Leave: One (1) day sick leave credit for each calendar month of continuous service, up to a total of twenty (20) days.

Welfare Plan: I recommend that the parties continue negotiations and endeavour to improve their present plan.

Vacations: After one (1) year - 2 weeks

After eight (8) years - 3 weeks.

## WAGES

1966-67

### Servicemen (refuellers)

0 - 6 months of service	2.47 an hour
6 - 12 months of service	2.66 an hour
12 - 24 months of service	2.76 an hour
24 - months of service	2.87 an hour

### Facilitymen (mechanics)

0 - 6 months of service	2.87 an hour
6 - 12 months of service	2.99 an hour
12 - 24 months of service	3.10 an hour
24 - 36 months of service	3.20 an hour
36 - months of service	3.28 an hour

June 15, 1967--a general increase of 5 per cent.

Respectfully submitted,

(Sgd.) Raymond Boulet,  
Member.

MONTREAL, December 19, 1966.



Report of Board of Conciliation and Investigation established to deal with dispute between

Canadian Broadcasting Corporation  
and  
International Alliance of Theatrical Stage Employees and Moving Picture Machine Operators of the  
United States and Canada

The Board of Conciliation and Investigation established to deal with a dispute between the Canadian Broadcasting Corporation and International Alliance of Theatrical Stage Employees and Moving Picture Machine Operators of the United States and Canada was under the chairmanship of Elroy Robson of Toronto. He was appointed by the Minister of Labour in the absence of a joint recommendation from the other two members of the Board, J.W. Healy, Q.C., and Martin Levinson, both of Toronto, who were previously appointed on the nomination of the company and union, respectively.

The report of the Chairman and Mr. Levinson constitutes the report of the Board. A minority report was made by Mr. Healy. The reports were received by the Minister of Labour in December.

The Board comprised Elroy Robson, Chairman; J.W. Healy, Q.C., corporation nominee; and Martin Levinson, union nominee.

The Board was established by the Minister on the 30th day of May 1966. Judge Colin Bennett was named as Chairman but resigned and was replaced by Mr. Elroy Robson on September 16, 1966. Mr. A. Alan Borovoy, the original union nominee, resigned and was subsequently replaced by Mr. Martin Levinson on the 2nd day of December 1966.

IATSE was certified by the Canada Labour Relations Board on the 6th day of August 1953 as the bargaining agent for a large group of CBC employees. The collective agreement covering the working conditions and rates of pay in effect at the present time is the fifth collective agreement negotiated between the parties to this dispute. The present agreement was signed on the 20th of August 1965, and from which I quote the following provisions.

Article 64 --Notice of Re-Negotiation

In the event that prior to the expiration date of this Agreement either party desires to negotiate a new Agreement, notice in writing by registered mail shall be given to the other party not less than thirty (30) days and not more than ninety (90) days prior to the expiry date of this Agreement. If such notice is given by either party and no new Agreement is reached, all the provisions of this Agreement shall continue to be observed by both parties until a new Agreement is signed, or until after the report of a Conciliation Board, whichever occurs sooner.

Article 65 --Re-Negotiation Procedure

Upon receipt of notice from one of the parties (the applicant party) of a desire to negotiate a new Agreement, as provided in Article 64 above, the other party (the respondent party) shall arrange for a meeting to be held between the parties within twenty (20) days for the purpose of negotiations, and further meetings shall be held as frequently as possible until settlement is reached or until either party makes application for conciliation.

Conclusion

The parties to this Agreement declare that it contains responsibilities and obligations for each such party and that in signing the Agreement it binds the parties during the Agreement term to do everything they are required to do by the Agreement and to refrain from doing anything they are not permitted to do by the Agreement. The parties further understand and declare that in case any provisions of this Agreement are now or hereafter inconsistent with any statute of Canada or any Order-in-Council or Regulations passed thereunder, such provisions shall be to that extent deemed null and void or shall be applied in such manner as will conform with law.

IN WITNESS WHEREOF the parties have caused this Agreement to be signed by their duly authorized representatives this 20th day of August, 1965.

Pursuant to the above-mentioned clause, IATSE gave notice to the Corporation to amend the collective agreement in October 1965. The parties commenced to bargain on the revised terms of a contract but were unable to reach agreement. The union then applied for conciliation services, which were granted by the Minister and Mr. J.S. Gunn, Conciliation Officer of the Department of Labour, was appointed on November 15, 1965. No agreement was reached and a Board of Conciliation was set up on the 30th day of May 1966.

On September 16, 1966, Elroy Robson was appointed a member and Chairman of this Board, replacing His Honour Judge Colin Bennett. A meeting of the Board was called for October 24, 1966, but the Board took note of the proceedings before the CLRB and on being informed that the CLRB had ordered a representative vote, the Chairman postponed the meeting called for October 24, 1966.

On learning the result of the representation vote and noting that CUPE failed to secure the necessary majority vote to obtain certification, the Chairman of this Conciliation Board, after due consideration, called a meeting of the Board for December 12, 1966 in Ottawa.

The Corporation consistently objected to the convening of the Board and (to its) fulfilling its responsibility as a Board of Conciliation and Investigation established by the Minister

of Labour to investigate a dispute between IATSE and the Corporation because of the proceedings before the Canada Labour Relations Board, and declared it was inopportune to bargain with IATSE at this time. The following telegram was sent to the Corporation on December 6, 1966.

C. B. McKee  
Director Industrial & Talent Relations  
Canadian Broadcasting Corporation  
P.O. Box 478 Terminal "A"  
Ottawa 2, Ontario.

RE: TELETAX

The Board of Conciliation and Investigation of which I am Chairman was appointed by the Minister to investigate and conciliate matters in dispute between the Canadian Broadcasting Corporation and the International Alliance of Theatrical Stage Employees and Moving Picture Machine Operators of the United States and Canada. Since I. A. T. S. E. is the certified Bargaining Agent there is no need to await any decision of the C. L. R. B. before meeting. Therefore the Board will proceed with its meeting on December 12, 1966 in Ottawa because this was the date on which all parties could make representations to the Board.

The Board has been granted an extension of time until December 15, 1966 to make its Report.

Please arrange the necessary leave of absence requested by I. A. T. S. E. for the employees to represent the Union at the Hearing in Ottawa on December 12, 1966 at 10 A.M.

The Board appreciates your cooperation and will listen to any representations you care to make at that time.

Elroy Robson  
Chairman

It will be noted that more than 14 months had elapsed from the time IATSE gave notice of its desire to amend the collective agreement and the date of the hearing of the Conciliation Board. During this time, the employees in the bargaining unit have been unable to obtain satisfaction on needed improvements in their wages and conditions. This basic fact must be kept in mind in the light of the position taken by the Corporation at the Conciliation Board hearing.

#### The Board Hearing

The Board convened December 12, 1966 in Ottawa. The Corporation and IATSE were ably represented as follows:

Present for the Corporation: D. K. Laidlaw, Esq., Counsel; C. M. McKee, Director, Industrial & Talent Relations; C. T. Kelley, Assistant Director, Industrial & Talent Relations; C. Frenette, Television Operations Director, Montreal; and J. Patterson, Assistant to Director of Television, English Network, Toronto.

Present for the union: Walter F. Diehl, Asst. President, IATSE, New York; Raymond Koskie, Counsel, Toronto; Ken Nichol, Local 891, Edmonton; Fred A. Engel, President Local 882, Vancouver; Gus Kearney, President Local 877, Halifax; F. F. Sullivan, Business Agent Local 880, Toronto; Harvey R. Dulles, President Local 880, Toronto; Glen Wilson,

Business Representative Local 879, Ottawa; Wilfred Doucette, President Local 879, Ottawa; Norman Belanger, Robert Arbour, and Andre Marin, Local 878, Montreal; Jack Gates, Secretary Local 879, Ottawa; and J. Popadwik, President Local 881, Winnipeg.

The Corporation expressed the opinion that the Board meeting was inopportune and that the Board should again be postponed until after the proceedings before the CLRB regarding the application of CUPE was clarified. The Corporation was intensely concerned about the unrest that existed among the employees in the IATSE bargaining unit. It was concerned that even their appearance at this Board at this time was making its employees restless and unless the Board postponed this meeting it would be necessary for the Corporation to withdraw from the meeting. The Corporation stated it would not bargain with IATSE until the CLRB has considered the vote and all issues surrounding it and has clearly ruled on its outcome.

In reply to the Corporation's argument about labour unrest, the union noted the employees of the Corporation had been frustrated for over a year and that an illegal strike could easily result from the lengthy delays. It noted IATSE was still the bargaining agent and submitted that under Sections 10 and 11 of the Act, the Corporation had no right to refuse to bargain with it. The union asked the Board to meet and conclude the proceedings.

As to the Corporation's request that the Board adjourn until after the CLRB had reached a conclusion on the CUPE application, there was brought to the attention of the Board a lengthy list of objections to the vote filed by CUPE. It appeared to the majority of the Board, these objections to the vote were of such a nature that they could well involve months of protracted hearings. Even Counsel for the Corporation admitted his position of requesting a further adjournment of these proceedings would not be tenable if the resolution of the certification application were to go on and on. In view of the delays experienced already and the likelihood of an additional lengthy period of time required to resolve the complicated objections to the vote, the majority of the Board ruled the meeting would proceed and all parties would be given an opportunity to present evidence and make representations.

The Corporation withdrew from the proceedings. Mr. J. W. Healy, Q.C., Corporation Nominee on the Board, also withdrew.

The Board appreciates the point of view of the Corporation, but the Minister recognized IATSE as the bargaining agent when he set up this Board and he reiterated it when he appointed the second chairman on September 16, 1966. IATSE is the legally certified bargaining agent. This is in accordance with Sections 10 and 11 of the Industrial Relations and Disputes Investigation Act 1948, c. 54, s. 1, as follows:

#### Effect of Certification

10. Where a trade union is certified under this Act as the bargaining agent of the employees in a unit

(a) the trade union shall immediately replace any other bargaining agent of employees in the unit and shall have exclusive authority to bargain collectively on behalf of employees in the unit and to bind them by a collective agreement until the certification of the trade union in respect of employees in the unit is revoked.



## Revocation of Certification

11. Where in the opinion of the Board a bargaining agent no longer represents a majority of employees in the unit for which it was certified, the Board may revoke such certification and thereupon, notwithstanding sections 14 and 15, the employer shall not be required to bargain collectively with the bargaining agent, but nothing in this section prevents the bargaining agent from making an application under section 7. 1948, c.54, s.11.

The Minister, the Board or the Corporation cannot decertify IATSE. This is the prerogative of the CLRB and they have not decertified IATSE.

The Minister has respected the law. The Conciliation Board must respect the law. The Board suggests that the Corporation has failed to bargain with a view to concluding a collective agreement with the legally authorized bargaining representatives of the employees.

The representatives of the union placed before the Board on December 12 and 13 the following as the major items in dispute.

1. Salary increase of \$1500 effective January 1, 1966.  
Salary increase of \$1000 effective January 1, 1967.
2. Wage increase to be fully retroactive to January 1, 1966.
3. 12-hour turn-around period.
4. 40-hour work week for contract employees with time and a half for overtime and the option of time off in lieu of pay. CBC Pension Plan for contract employees.
5. 7-hour day with double time after 16 hours.
6. Payment for second meal and a penalty for a displaced meal period.
7. Fully automatic 7-step salary scale.
8. No combining of classifications.
9. Pay scale for Senior Staging Rigger beginning at \$8000.
10. Payment of \$300 lump sum to Propsman Specialists who have not received this amount.
11. All Carpenters and Carpenter Crewleaders to be called Scenic Constructors and Scenic Constructor Crewleaders. These classifications are to receive a 6% salary increase retroactive to February 1, 1966.
12. Deletion of the classification Service Stagehand in Montreal.
13. Night Differential \$2.00.
14. Changing temporary upgrading payment of \$1.00 to \$2.00 and a change in language in Article 18.

The union submitted much evidence to the Board to support the employees' claim for improved wages and working conditions. On this evidence the Board makes its recommendations.

The Chairman of the Board was informed on December 3, 1966 that the Corporation had announced a general increase of 5% effective April 1, 1966. The Corporation confirmed this at the Board hearing December 12, and also advised the Board that they had made a number of adjustments on basic rates of certain job classifications. The Board was given to understand that these changes in rates of pay were made to allay the unrest among the employees. The general increase and adjustments in basic rates were made without any consultation with the bargaining agent.

The Board regrets that it did not have the co-operation and advice of the Corporation. But the Board must recognize

the evidence, both written and oral, made by the union as well as the wage settlements granted to other Crown Corporations and particularly the wage settlements made by the Corporation to other CBC employees which were placed in evidence before the Board.

## THE BOARD THEREFORE RECOMMENDS:

### Wages--We recommend:

(a) a wage increase of 9% effective January 1, 1966, based on the wage rates in effect on December 31, 1965. The Board understands that certain inequity adjustments were made by the Corporation since January 1, 1966. The 9% shall not be reduced by these inequity adjustments. However, the general interim increase of 5% retroactive to April 1, 1966, shall, if implemented at the time of issue of this report, be taken into consideration and deducted from the recommended 9% increase;

(b) a further wage increase of 9% effective January 1, 1967 based upon the wage rates existing on the 31st December, 1966;

(c) a further wage increase of 4½% effective October 1, 1967 based on the wage rates paid on September 30, 1967;

(d) the increases granted in 1966 be retroactive to January 1, 1966; such retroactivity also will apply to wages based on earnings;

(e) employees to be entitled to retroactivity to January 1, 1966 if they were in the bargaining unit on that date and are still in the bargaining unit on August 31, 1966, and prorated from the date of employment for employees who were not in the bargaining unit as of January 1, 1966, but are on the payroll as of the date of issue of this Report;

(f) a special request for the Scenic Artists in Montreal for adjustment in their rates of pay was put before the Board. The Board was impressed by the argument put forth and we recommend that the bargaining unit and the Corporation make a survey of this job classification and bring it in line with other classifications of similar skills;

(g) the union placed before the Board some comparisons of wage scales for similar classifications and rates of pay within the industry and recognize that the 1965 CBC rates of pay are considerably out of line with present rates paid in similar outside industries.

Turn-Around Period--We recommend that the turn-around period be extended to 12 hours.

Overtime--We recommend that overtime at the rate of time and one-half be paid after 8 hours worked, and double time after 16 hours worked. At the present time, almost all employees of the Corporation work on this basis and this recommendation affects relatively few persons employed on a contract basis.

Payment for Meals--We recommend that the payment for the second meal shall be \$1.50.

Automatic Wage Progression--We recommend that the general salary provisions shall be fully automatic. Contracts held by this union for the same type of workers in Canada with other companies provide for a fully automatic scale. The Board also notes that the Corporation itself has contracts with other unions providing for fully automatic salary scales.

Propsman Specialists and Carpenters--The Corporation made a wage adjustment to 51 Propsman Specialists. We recommend that the 13 additional Propsmen who did not receive it be given the same consideration as the other 51, retroactive to the effective date of the increase received by



the 51 Propsman Specialists. The same situation prevails for Carpenters and Carpenter crew leaders, most of whom received a 6% wage increase if employed in Montreal or Toronto. The Board recommends that all other carpenters and carpenter crew leaders receive such an increase retro-active to February 1, 1966.

Night Differential--We recommend that the employees be given a night differential of not less than 10%.

Temporary Upgrading Payment--We recommend that employees temporarily promoted to a higher paid position more than 4 hours in any one day shall receive the higher rate while occupying the position.

Prior Agreement--The Board recommends that all other matters previously agreed upon by the parties during the negotiations be confirmed.

Term of Agreement--The Board recommends that the term of the collective agreement be from January 1, 1966 to June 30, 1968.

In making the above recommendations, the Board has taken into account many factors. The Corporation has recently agreed to provide for increases similar to those recommended here to other unions with whom it bargains. Wage and salary scales paid in Canada appear to be above those paid by the CBC for comparable work.

The Board also took note of the fact that the industry in the United States from time to time attempted to recruit employees in Canada with very much higher rates of pay, and as far as it is possible to do so the industry in Canada should not become a training ground for American broadcasting corporations.

All of which is respectfully submitted.

(Sgd.) Elroy Robson,  
Chairman.

(Sgd.) Martin Levinson,  
Member.

Toronto, Ontario  
December 23, 1966.

#### MINORITY REPORT

On September 20, 1966, the hearing of the Conciliation Board (then composed of Mr. Elroy Robson, member and chairman, Mr. Alan Borovoy and the writer, members) was fixed for October 24, 1966. However, in the intervening period it came to the attention of the Board that the Canadian Union of Public Employees had applied to the Canada Labour Relations Board for certification as bargaining agent of the employees of the Corporation in the bargaining unit with which this Board was established to deal. We were advised that a representation vote had been ordered by the Canada Labour Relations Board and that the names of both Canadian Union of Public Employees and International Alliance of Theatrical Stage Employees and Moving Picture Machine Operators of the U.S. and Canada would be on the ballot.

As a result, the conciliation board conferred and unanimously decided to postpone proceedings, agreeing that no meaningful conciliation could be undertaken in the circumstances. Accordingly, the chairman addressed a letter dated November 3, 1966 to Mr. Bernard Wilson, Director of Industrial Relations, Department of Labour, stating

It has been agreed by the members of the Board of Conciliation established by the Minister of Labour to deal with the above-cited dispute that a board meeting should not be held until after the vote now

being conducted by the Canada Labour Relations Board has been concluded.

Will you please grant the necessary extension permitting the board to report at a later date.

In postponing the hearing the Board took the sensible and practical course, since the application by Canadian Union of Public Employees and the direction of the vote by the Canada Labour Relations Board cast doubt on the question of whether or not IATSE had the support of employees in the bargaining unit.

The vote, which was taken in November, while not conclusive, and indeed which has not been concluded, did not resolve the doubt in favour of IATSE. Apparently, only about 25% of the 1,660 employees in the bargaining unit indicated support for IATSE; and only about 9% of the bargaining unit employees in the major operating areas of Montreal and Toronto voted for IATSE. But what is even more important, the application for certification by Canadian Union of Public Employees was still before the Canada Labour Relations Board, not as yet having been decided. The Conciliation Board could not conclude, because of the apparent failure of CUPE to obtain a clear majority, or for any other reason, that the application would be dismissed. Nor could the Conciliation Board conclude that the Canada Labour Relations Board would not see fit to revoke the certification of IATSE under Section 11 of the Act. Such would be grave presumptions and without authority.

When the conciliation board meeting convened on December 12 the undecided question of union representation was just as much an obstacle to negotiations as it had been when the conciliation board unanimously agreed in October not to hold a meeting until after the vote had been concluded. It is simple common sense to be aware that mediation efforts are fruitless in such circumstances. How can an employer bargain on one day with a union which it knows may be displaced on the following day or week or weeks by another union? For example, the majority of this conciliation board has recommended terms for a collective agreement to run until June 30, 1968. But if another union becomes the bargaining agent, such agreement could be terminated on two months' notice by the new bargaining agent (Section 10(c)). It is neither practical nor reasonable to expect negotiations in the shadow of the deliberations of the Canada Labour Relations Board.

A conciliation board is appointed by the Minister "to endeavour to bring about agreement between the parties to a dispute" (Section 17). It is not appointed to make a report. This is done only after it has endeavoured to bring about agreement.

I am most unhappy to have been a member of a conciliation board that made no effort to obtain an agreement. When the Board met the parties on December 12, counsel for the Corporation pleaded with the Board to grant an adjournment until the Canada Labour Relations Board could decide the issue of representation. By refusing to grant this reasonable and logical request, the Board majority thereby abdicated its responsibility of endeavouring to bring about agreement between the parties.

To compound the problems of this sad affair, the majority of the Board has purported to make recommendations for a collective agreement, this in the face of the known and accepted fact that the contents of a collective agreement cannot possibly be conceived after talking to only one of the parties.



The Board should have granted the adjournment requested by the Corporation. It would then have been able, if and when the Canada Labour Relations Board had ruled that the union party to these proceedings was to retain its bargaining rights, to endeavour to bring about an agreement between the parties. And only if that failed would resort have been taken to Board recommendations. In such event the recommendations could have been meaningful and helpful, because

they would have been based on an intimate knowledge of the submissions and bargaining positions of both parties.

All of which is respectfully submitted this 29th day of December 1966.

(Sgd.) J.W. Healy,  
Member.





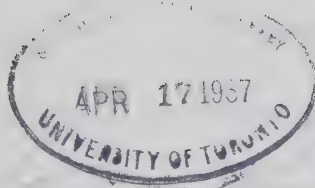


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No. 1, 1967



## CLRB REASONS FOR JUDGMENT



### Reasons for Judgment in application affecting

Syndicat national des employés des usines de chemins de fer (CNTU) and  
Canadian Pacific Railway Company  
Canadian Marine Officers' Union and Levis Ferry Limited

A LABOUR GAZETTE SUPPLEMENT

CANADA DEPARTMENT OF LABOUR

## CANADA LABOUR RELATIONS BOARD

## Reasons for Judgment in Application for Certification Affecting

Syndicat national des employés des usines de chemins de fer (CNTU)

Applicant

and

Canadian Pacific Railway Company

Respondent

and

Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees; International Brotherhood of Firemen, Power Plant Operators, Oilers, Helpers, Roundhouse and Railway Shop Employees; Brotherhood of Railway Carmen of America; Division No. 4, Railway Employees' Department, AFL-CIO; Sheet Metal Workers' International Association; International Brotherhood of Boilermakers, Iron Shipbuilders, Blacksmiths, Forgers and Helpers; International Association of Machinists and Aerospace Workers; International Brotherhood of Electrical Workers; Brotherhood of Maintenance of Way Employees; International Molders' and Allied Workers' Union; United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada

Interveners

The Board, consisting of the Chairman, A.H. Brown, and A.H. Balch, E.R. Complin, A.J. Hills and Gérard Picard, rejected the application of the Applicant to be certified as bargaining agent for a unit of employees of the Respondent employed in its Angus Shops at Montreal, Que., on the ground that the unit was not appropriate for collective bargaining in the circumstances of the case.

The reasons of the Chairman, A.H. Brown, and A.H. Balch, E.R. Complin, and A.J. Hills for this decision are contained in the following Reasons for Judgment delivered on their behalf by the Chairman.

The Applicant applies to be certified as bargaining agent for an industrial unit of employees of the Respondent working in its maintenance and repair shops known as the Angus Shops at Montreal, Que., comprised of all tradesmen and helpers and labourers employed therein, excluding office and clerical employees, but has not included in this unit the classifications of employees in the Angus Shops operation employed in the engineering or fire departments or medical section therein, nor employees therein in the classifications of janitors, charwoman, chauffeur and dock repairer.

The Applicant has included in the proposed unit a group of stores employees, 155 in number, of the Respondent working in offices situate in the Angus Shops complex of buildings in close proximity to the Angus Shops, who are a part of the Purchasing and Stores Department of the Respondent. The function of this department is to provide all requirements of the railway in the way of materials and supplies, stationery, etc., including railway repair and maintenance shops requirements other than fuel, ties and commissary stock. It operates stores depots for this purpose throughout the railway system. The stores department employees in the proposed unit service the Angus Shops requirements for materials and supplies as well as those of other railway offices in the Montreal area.

The major issue between the Applicant on the one hand and the Respondent and the Interveners on the other hand that requires initial determination is the question of the appropriateness of the proposed bargaining unit for collective bargaining in the light of the merits of the contentions of the interested parties to the application.

At the date of the application there were some 3,500 employees in the proposed bargaining unit, including 155

stores department employees, of whom the Applicant claimed 1,834 as members.

The Angus Shops railway maintenance and repair establishment is a component of the railway maintenance and repair department of the Respondent. This department handles and provides all repair and maintenance work required by the operating departments of the Respondent on the railroad locomotive equipment and rolling stock in the railroad system. The heavy repair work is handled in three major shops designated as "back shops" namely Angus Shops at Montreal, Que., with some 3,300 employees, Weston Shops at Winnipeg, Man., employing some 1,200 employees, and Ogden Shops at Calgary, Alta., employing some 900 employees in craft and supporting shop classifications. All other required shop maintenance and repair work on locomotive equipment and rolling stock is handled in lighter repair shops designated as running repair shops, 68 in number, situate at appropriate points across the railroad system, in which 5,900 employees in the same or similar craft classifications are employed. The Angus Shops as the largest and the most fully equipped shop in the system provides services in the way of heavy repairs and new parts for all regions of the railroad operation which are not available through other shops. Some 50 per cent of all diesel locomotive truck repairs are done by Angus Shops. The Angus Shops operate the only test department in the system.

The Respondent carries on in its shops a system-wide uniform apprentice training program for the training of tradesmen required for the operation of these shops.

The railway shops operate under the direction of the Chief of Motive Power and Rolling Stock. His office is responsible for the allocation of maintenance and repair work



as required between the shops across the system.

The Applicant submits that weight should be given, in considering the appropriateness of the proposed Angus Shops' unit as a separate unit from other shop employees, to the fact that while the work managers of the Weston and Ogden Shops report through a regional administrative chain of authority to the Chief of Motive Power and Rolling Stock, the Angus Shops works manager reports directly to that officer. According to the Respondent's evidence, this shortcutting of the regional chain of authority flows simply from the proximity of the Angus Shops site to the office of the Chief of Motive Power and Rolling Stock in Montreal. The Board does not regard this situation as significant in the circumstances nor as establishing persuasive grounds for segregating at this time as a separate bargaining unit the group of Angus Shops employees from other groups of shop employees all engaged in the common operations of maintenance and repair of railroad equipment and working under common conditions of employment.

The Intervener, Division No. 4, Railway Employees' Department, is comprised in Canada of seven international craft unions representing eight crafts of tradesmen and helpers who are the bargaining agents for all shop craft employees of the Respondent employed in the railway maintenance and repair shops in the railway system, including the Angus Shops, and are parties to collective agreements covering these employees entered into with the Respondent and its agent the Railway Association of Canada. The only unions listed as Interveners herein who are not members of said Division No. 4 are the Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, who represent the stores employees in the proposed unit; the Brotherhood of Maintenance of Way Employees, who represent as bargaining agent the small group of maintenance of way employees included in the proposed unit; and the International Brotherhood of Firemen, Power Plant Operators, Oilers, Helpers, Round House and Railway Shop Employees, who represent as bargaining agent some 400 employees in the Locomotive and Car Departments designated as "classified" and "unclassified" labourers, and stationary firemen and oilers.

The Interveners comprising Division No. 4, Railway Employees' Department, are the certified bargaining agent for all shop craft employees employed in the railway maintenance and repair shops in the railway system, by virtue of a certification order made by the Wartime Labour Relations Board in 1947 and having continuing effect under a provision contained in the Industrial Relations and Disputes Investigation Act. Negotiations for revision of the aforesaid agreements between these Interveners and the Respondents were in progress at the time of the hearing of this application.

The Interveners comprising said Division No. 4 are also parties to collective agreements with each of the other Canadian railway companies who are members of the Railway Association of Canada, including the Canadian National Railways, covering the same or corresponding classifications of shop employees of these companies.

According to the evidence given, Division No. 4, Railway Employees' Department, which stemmed initially from the Railway Employees Department of the United States, was first established in 1918 in order to provide and afford complete autonomy to the Canadian divisions of the unions comprising the said Department in collective bargaining on behalf of the railway shop craft employees they represent with Canadian railroads, and this autonomy has been fully

and solely exercised by said Division 4 since that time. Division No. 4, Railway Employees' Department, has been a party to system-wide collective agreements with the Respondent covering the railway repair and maintenance shop craft employees throughout the period from 1920 to the present time.

By virtue of the seniority provisions established under the collective agreements between the Intervener, Division No. 4, Railway Employees' Department, and the Respondent, shop craft employees have regional trades seniority that may be exercised by the individual employee, for example, between Angus Shops and all other railway repair and maintenance shops in the Atlantic Region of the railway system. Where such seniority rights are exercised by the employee to fill a vacancy or displace a more junior employee in another shop, the employee carries his seniority with him to the new posting. However, a tradesman employed in a back shop, as for example the Angus Shops, while accorded also the additional right to fill a job vacancy in another back shop in another region does not carry his seniority with him to the other back shop in so doing.

The effect of a certification of the Applicant as bargaining agent for the proposed separate unit of Angus Shops craft employees would be that these seniority provisions would no longer apply so as to permit transfers of employees thereunder between the Angus Shops and other repair and maintenance shops in the system. This would affect the established interests and seniority rights not only of employees in the Angus Shops but also of the employees in the other shops in the Atlantic Region in particular as well as transfers between back shops.

Wage rate standards are the same for tradesmen in all railway repair and maintenance shops across the system. All shop tradesmen in the same classifications are paid the same wage rates and enjoy the same fringe benefits, and work under common conditions of employment under the provisions of the collective agreements in effect.

The stores employees included in the proposed unit, 155 in number, are at present represented by the Intervener, the Brotherhood of Railway and Steamship Clerks, as bargaining agent and are covered by a collective agreement between this Intervener and the Respondent under which rates of pay for the same classifications of employees, fringe benefits and working conditions are uniform for the stores employees covered thereby throughout the railway system. The work performed by the stores employees and the nature of qualifications required appear to have nothing in common with those of the Angus Shops craft employees. Employees' seniority rights on a regional basis have been established under the stores agreement for the stores employees covered thereby.

The Respondent submits that the Angus Shops operation is not an isolated operation but is part of a highly integrated railroad operation on the basis of controls both technical and administrative, on the basis of the fact that the Angus Shops service all divisions of the operating system in the provision of repairs and manufacture of parts and design, and on the basis of integration of job specifications, operating techniques standards, wage rates, working conditions, apprenticeship training and transfers of employees. The Respondent submits that no valid grounds have been advanced to warrant fragmentation of the long-established system-wide bargaining unit that has been developed over the years based upon experience. It submits further that the fragmentation of this established system-wide unit by the carving out of the Angus



Shops as a separate bargaining unit with separate representation would make the possibilities of realistic collective bargaining in respect of shops craft employees remote and would place in jeopardy the collective bargaining patterns and relationships built upon the basis of experience.

The Interveners submit that the proposed unit is inappropriate for collective bargaining, that the certification of the unit as requested would be against the best interests of the shop employees including the loss of seniority rights and would be a seriously retrogressive step in collective bargaining in the railroad industry in Canada. The Interveners submit that from the point of view of the interests of the general public, the fragmentation of the established system-wide unit of shopcraft employees resultant from the recognition of the proposed Angus Shops unit as a separate bargaining unit and the designation of the Applicant as the bargaining agent therefor would have the effect of establishing two competing bargaining agents, each of whom would be representing a separate group of employees in the same classifications and doing the same type of work under similar conditions with whom the Respondent would be compelled to bargain. The end result would be to create a competitive bargaining situation as between the two bargaining agents, which would be destructive of orderly and realistic collective bargaining in respect of employees in the maintenance and repair department of the railway. This would tend to create and would result in work stoppages affecting the operation of the entire railway system. The Respondent advances serious arguments to the same effect. The Board is of opinion that this analysis of the probable effect of certification as applied for is realistic.

In the case of Brotherhood of Locomotive Firemen and Enginemen and Canadian Pacific Railway Company reported in CLLC 1949-54 Transfer Binder paragraph 16023, in which the Brotherhood of Locomotive Firemen and Enginemen applied to be certified as bargaining agent for a regional unit of locomotive engineers who were part of a system-wide unit of locomotive engineers employed by the company for whom the Brotherhood of Locomotive Engineers was the then certified bargaining agent, the Board said: "The Board is of opinion that ordinarily it is not conducive to stable labour relations or orderly collective bargaining negotiations to subdivide a well-established craft unit of employees found to be an appropriate unit by the Board, into several units consisting of segments of the same craft group of employees. Consequently in any particular case where it is sought to do this, convincing ground for so doing should be established."

An instance inter alia where the Board has considered that convincing grounds for so doing were established will be found in the decision of the Board in the case of an application of the International Longshoremen's and Warehousemen's Union to be certified for a unit of employees consisting of a group of longshoremen employed by the Canadian Pacific Railway Company at the Company's docks at Vancouver, B. C., who had for many years been part of a unit of employees of the Company covered by a collective agreement between the Brotherhood of Railway and Steamship Clerks and the Company. These employees now desired to be represented by the applicant union in a separate bargaining unit. It was established by the evidence that the nature of the longshoring operations on the CPR docks had changed materially since the period when the existing bargaining relationship had been established. The operation had become a commercial wharf-finger operation indistinguishable from other such operations on the Vancouver docks where the employees in similar

classifications were represented by the International Longshoremen's and Warehousemen's Union as bargaining agent. The operation had been initially a part of the Company's combined railway and shipping operation. It was also established clearly by the evidence that the interests of employees would be better served by the assurance of more regular work and wider seniority rights that would ensue to the employees in the proposed unit by giving effect to the application. The Board acted upon these grounds in granting the application.

In a decision of the Board made in 1964 on an application made by the Canadian Air Line Dispatchers' Association to be certified for a unit of airline dispatchers employed by Nordair Ltd. who had been included several years previously in a comprehensive system-wide industrial unit of employees of the Company for whom an opposing union, a syndicate affiliated with the Confederation of National Trade Unions, had been certified, it was established by the evidence that the certified bargaining agent had not bargained in more recent years for the airline dispatchers in the unit and these employees were not covered by the then existing collective agreement between the certified bargaining agent and the Company. The Board granted the application for the certification of the unit of airline dispatchers upon the basis of this evidence.

The Applicant has made the following assertions in the written statements put forward with its application for certification and in its reply to the interventions filed by the Interveners to its application, namely, that the present set-up of employees working for the same employer in the same shop divided into different bargaining units is not capable of settling the employees' problems, that the great majority of Angus Shops employees are French Canadian and should be represented by full-time representatives who speak their mother tongue and that the realities of this situation were not understood by the leaders of the Intervener unions, and finally that a cultural unit can justify, apart from all other considerations, the formation of a separate unit.

No evidence was put forward by the Applicant supporting these assertions.

The evidence of the Intervener craft unions as to their close association as joint bargaining agents for the shopcraft employees including those in the Angus Shops has been cited previously herein. The Interveners have put forward evidence also as to the procedures for the handling of grievances of employees in the Angus Shops through the local lodge representatives of each of the associated craft unions in the shops for settlement at that level and the procedures followed in the processing of grievances unsettled at the shop level to higher levels of union and management representatives which are applicable without distinction to grievances of shop employees in railway shops across the system. The Interveners have given detailed evidence establishing that a substantial majority of the officers of the local lodges encompassing the Angus Shops employees, and of the Brotherhood of Railway and Steamship Clerks with respect to local lodges encompassing the stores employees involved in this application, as well as the local lodge committeemen of these unions in the shops and stores, are French Canadian and that a considerable number of the representatives who are not French Canadian are bilingual. Evidence was also given of the considerable number of officers at regional chairmen and higher levels of these unions who are French Canadian. The shop committees of these lodges are comprised of employees working alongside their fellow craftsmen in the shops.



## DISSENTING OPINION OF GÉRARD PICARD

(Translation)

No evidence has been furnished by the Applicant to indicate that the French Canadian employees in the shops or stores have been discriminated against or denied the opportunity or means of self-expression or full participation in the conduct of union affairs, including the handling and processing of their grievances as employees. In fact there was positive evidence given by the Interveners to the contrary.

The Applicant cited a number of decisions of this Board as supporting the appropriateness of the unit for which it has requested certification. The most important of these decisions were discussed fully and distinguished at the hearing and the cases cited have been reviewed by the Board. The Board is of opinion that these decisions, which were made in the light of the particular circumstances of the cases in which made, are not applicable or pertinent to the facts and circumstances of this case.

To summarize, the Board taking into consideration, *inter alia*, (1) that the great majority of the employees in the proposed bargaining unit are presently part of a well-established system-wide bargaining unit composed of some 10,000 to 11,000 employees employed in railway maintenance and repair shops in the maintenance and repair of the railway rolling stock and motive power units in the Angus Shops at Montreal, Que., the Weston Shops at Winnipeg, Man., the Ogden Shops at Calgary, Alta., and in some 68 light running repair shops situate at points across the railway system of which Division No. 4, Railways Employees' Department, comprising seven craft unions is the present bargaining agent, (2) that the operations upon which these employees are engaged are an integral and integrated part of the operation of the railway system as presently carried on, (3) that the employees in the craft classifications employed in these shops receive their craft training under a standard system-wide apprentice training program and share a close community of interest and work under a substantially uniform system of wage rates and working conditions across the system and enjoy the benefits of a regional seniority system, which could no longer operate effectively in the interests of the employees in the regional group affected thereby as a whole in event of the exclusion of the Angus Shops group therefrom, is of opinion that a unit of craft employees confined to the Angus Shops alone is in the circumstances too limited in scope to be appropriate for collective bargaining. The simple fact that a majority of employees in a bargaining unit shaped by an applicant trade union with a view to securing certification as bargaining agent thereof desire to be thus separately represented in collective bargaining does not *ipso facto* establish that the unit is the appropriate unit for collective bargaining without regard for other considerations. The Board is of opinion that no convincing reasons have been advanced to warrant the disturbance of the existing system-wide bargaining unit by the fragmentation thereof as proposed by the Applicant.

In view of these conclusions it is unnecessary for the Board to make a decision on the issues raised by the Interveners and Respondent concerning the inclusion of the stores employees in the proposed bargaining unit.

The application for certification is rejected for the reasons given herein.

(Sgd.) A. H. Brown,  
Chairman for the Board.

Dated at Ottawa,  
December 14, 1966.

I agree that the facts of the case, as reported in the Board's decision, reflect accurately the evidence put before us. However, I cannot accept the reasons put forward by the Board for rejecting the application for certification submitted by the Syndicat national des Employés des usines de chemins de fer (CNTU).

In my opinion, the Board's decision goes far beyond the evidence and the merits of this particular case; said decision, I submit, is out of the scope of the Industrial Relations and Disputes Investigation Act and establishes a kind of jurisprudence the result of which would be, using strong words, to put in jail behind iron-barred union structures thousands of workers coming under federal jurisdiction. The reasons given in the Board's decision (added to the Reasons for Judgment in the CBC-CNTU case) will be interpreted, I am afraid, as meaning that, in the future, every so-called national bargaining unit could not be replaced except by another unit of the same type.

I contend that such a piece of jurisprudence is against the letter and spirit of the Act.

The Act defines the bargaining unit as follows:

Section 2 (3) For the purposes of this Act, a "unit" means a group of employees and "appropriate for collective bargaining" with reference to a unit, means a unit that is appropriate for such purposes whether it be an employer unit, craft unit, technical unit, plant unit, or any other unit and whether or not the employees therein are employed by one or more employer.

Said provision of the Act, I agree, does not prohibit workers from establishing so-called national units, but it expressly lists some specific bargaining units which the Board cannot turn down as inappropriate when an established national unit is contested and when workers, after choosing a viable appropriate unit, take the stand that they no longer want to continue to be represented by their national unit.

I agree that the Board has usually taken into consideration the definition of the Act and that the best evidence to that effect is that out of a little more than one thousand (1,000) certifications issued since the Board was established, only twenty-five to thirty of them at most, I believe, concern national units. Moreover, in nearly all of these cases, the establishment of the national units was not contested, except for certain occupations to be included in or excluded from them, and, therefore, the Board did not exceed its jurisdiction in considering them as appropriate for collective bargaining purposes.

However, there is nothing in the Act suggesting that a so-called national unit must, of necessity, be replaced by another unit of the same type. There are no doubt factors that must be considered before arriving at a conclusion, but any viable unit not contrary to the provisions of the Act and chosen by workers having community of interests deserves consideration. Employers and unions may not be pleased with the result, but the cause of such a state of things will generally be lack of qualifications or neglect on the part of union representatives for servicing the members the way they are entitled to; or else the reason might be that said representatives carry on as if they were executives of big

companies, thus dangerously moving away from the democratic system supported by the workers. I have not in mind here to get rid of the actual collective bargaining system and trade union régime; I am only making an attempt to prevent it from developing into a straitjacket system.

In the present case, the application for certification, in my opinion, could have been rejected for reasons other than those given by the Board and without developing a jurisprudence that can affect the fundamental rights of the workers. The applicant union was asking certification for a type of industrial unit restricted to production workers and allied occupations, employed by the CPR, at the Angus Shops, in Montreal. The description of the unit by the Applicant did not cover, on the one hand, all the occupations claimed and included, on the other hand, the clerks from the Purchasing and Stores Division (Angus Stores Branch), where it was established by evidence that, in this case, the occupations of stores clerks were more closely related to those of office employees than production.

In the unit applied for, there were a little more than 3,500 workers of whom 1,834 (52%) were paid-up members of the applicant union. We all understand that the purpose of the application was not for the Applicant to represent only its members but all the 3,500 employees in the unit, which is in line with the rule of our actual trade union and bargaining system. Had the Board disposed of the application by establishing the full limits of the type of industrial unit (plant unit--production) asked for by the union, it would have not taken very many occupations hitherto left aside (after the exclusion of the stores clerks) to realize that the Applicant had not the support of the majority of the employees concerned. But that is not the question.

Dealing with railway operations (railways and their services), I am of the opinion that the application of usual certification criteria cannot be made in the same way as for other industrial companies. In the field of railways, some specific factors have influenced the establishment of labour markets within which employees have vested rights for a number of years, and such a situation shall be given consideration. The typical example that can be offered is that of seniority rights and their application in case of layoffs, promotions or displacements (bumping). It is obvious, however, that contractual conditions have to be complied with in each case.

In the railways, seniority is recognized, usually, within the limits of a specific territory. The territory is not the

same for the non-operating employees (non-ops) as for the running trades. Seniority, for the non-ops, is recognized within a region whereas, for the running trades, it is recognized and extended to a system, for each railway company, throughout the country.

In the present case (Angus Shops), the region concerned is called the Atlantic Region. Within that region you have the Angus Shops themselves and roughly a dozen running repair shops generally supplied with material and parts by Angus. The majority of the running shops are located in the province of Quebec, two of them in Montreal (Glen and St. Luc). There are a few in the Maritimes. Subject to conditions contained in the collective agreement, the running shops employees can apply for jobs and move to Angus, according to seniority, and, on the other hand, Angus employees can move to the running shops. In my opinion, it would not be fair, under the circumstances, that about 50 per cent of the non-ops employees of Angus (production) deprive the other 50 per cent of certain rights, apart from the fact that seniority rights of the running shops employees would be abolished as far as possible employment at Angus is concerned.

I am not impressed at all, however, by the fact that the collective agreement in force is system-wide nor by the fact that certification (for the crafts) granted in 1947 under the war legislation is also system-wide. This is where the views expressed by my colleagues in the decision of the Board and my views are definitely opposed. The situation in the shops can easily be explained from a historical point of view. Nevertheless, there is no "taboo" in it and circumstances may warrant to take a new approach on certain matters.

In conclusion, for other reasons than those given by the Board, I am in agreement, in the circumstances and taking into account the particular facts connected with the railways, that the bargaining unit as proposed by the Applicant is not appropriate. The appropriate unit, in my opinion, would be a regional unit.

(Sgd.) Gérard Picard,  
Member.

January 5, 1967



Reasons for Judgment in Application for Certification Affecting

Canadian Marine Officers' Union  
and  
Levis Ferry Limited

Applicant  
  
Respondent

The Judgment appearing below is the second rendered by the Canada Labour Relations Board in respect of an application by the Canadian Marine Officers' Union for certification as bargaining agent for employees of Levis Ferry Limited. The first Judgment, which rejected the application on the grounds that the application had not been made in accordance with the provisions of Section 47 of the Industrial Relations and Disputes Investigation Act, was published in Supplement No. 1, 1966, page 7. The Judgment below, which was issued on December 16, 1965, found that the I.R.D.I. Act does not apply to employees who are employed on local ferries operating between two points both within the Province of Quebec.

The Board consisted of A.H. Brown, Chairman, and A.H. Balch, E.R. Complin, J.A. D'Aoust, A.J. Hills, Donald MacDonald, Gérard Picard and Harry Taylor, members. The Judgment of the Board was delivered by the Chairman.

The Respondent is a private company incorporated under the laws of the Province of Quebec that operates a ship ferry service across the St. Lawrence River between two points both within the Province of Quebec, namely, the City of Quebec and the City of Levis. The Applicant applied to this Board to be certified as bargaining agent for a unit of employees of the Respondent comprised of certified marine engineers employed in the operation of the ships engaged in the ferry service or in the maintenance of such ships.

Counsel for the Interveners contended that the employees in the aforesaid bargaining unit and their employer, the Respondent, are not engaged in the operation of an undertaking or business which is subject to the provisions of the Industrial Relations and Disputes Investigation Act. The Board heard argument by the parties on this issue at the hearing on the application and reserved its decision thereon.

While the application has been rejected by the Board on other grounds, which are set forth in Reasons for Judgment issued by the Board under date of November 18, 1965, the Board considers it advisable to give this expression to the conclusion it has reached with respect to the issue of jurisdiction for the future guidance of the parties.

By Section 53 of the Industrial Relations and Disputes Investigation Act, the Act is made to apply to employees who are employed upon or in connection with the operation of any work, undertaking or business that is within the legislative authority of the Parliament of Canada and their employers in their relations with such employees.

That expression is defined to include under paragraphs (a) and (d) of the said section the following:

(a) Works, undertakings or business operated or carried on for or in connection with navigation and shipping, whether inland or maritime, including the operation of ships and transportation by ship anywhere in Canada; and ...

(b) ferries between any province and any other province or between any province and any country other than Canada.

Paragraph (a) recited above may by its terms be wide enough to include all ferries without distinction but if this were the intent then paragraph (d) would be unnecessary.

Paragraph (d) however includes only ferries between provinces or between a province and a country other than Canada. The implication appears clear that local ferries are not included and that Parliament has not intended that the Industrial Relations and Disputes Investigation Act should apply to such local ferries.

The Board is of opinion on the facts of the case as made known to the Board that the Industrial Relations and Disputes Investigation Act does not apply to the employees in the proposed bargaining unit and their employer, the Respondent, for the reasons given above.

(Sgd.) A.H. Brown,  
Chairman for the Board.

Dated at Ottawa,  
December 16, 1965.

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# CONCILIATION BOARD REPORTS together with CLRB REASONS FOR JUDGMENT



Conciliation Board Reports in disputes between

CHAB Ltd. (CHAB-TV) and National Association of Broadcast Employees and Technicians  
Canadian Pacific Railway Company (Dining Car Service Employees) and Brotherhood of Railroad Trainmen

Reasons for Judgment in application affecting

Canadian Union of Public Employees (Applicant), and Canadian Broadcasting Corporation (Respondent), and International Alliance of Theatrical Stage Employees and Moving Picture Machine Operators of the United States and Canada (Intervener)

A LABOUR GAZETTE SUPPLEMENT



CANADA DEPARTMENT OF LABOUR





## CONCILIATION BOARD REPORTS

Report of Board of Conciliation and Investigation established to deal with dispute between

CHAB Ltd. (CHAB-TV), Moose Jaw, Saskatchewan  
and

National Association of Broadcast Employees and Technicians

The Board of Conciliation and Investigation established to deal with a dispute between CHAB Ltd. (CHAB-TV), Moose Jaw, Sask., and the National Association of Broadcast Employees and Technicians was under the chairmanship of His Honour Judge Benjamin Moore of Swift Current, Sask. He was appointed by the Minister of Labour on the joint recommendation of the other two members of the Board, N.G.A. Wilson of Regina and R.L. King of Moose Jaw, who were previously appointed on the nomination of the company and union, respectively. The Report was received by the Minister of Labour in February.

The dispute herein centres around the negotiation of the first collective bargaining agreement between the above employer and 14 of its employees engaged in its film editing, operating and technician branches. The total number of employees in the service of the employer is some 80 persons, of whom only the aforementioned 14 persons form a collective bargaining unit.

Your Board held its hearings in the City of Moose Jaw on February 13, 14, 15 and 17. Appearing before the Board on behalf of the employer were: J. Moffatt, J. Rushard (counsel), J.S. Bayling and R.G. Wyatt; and on behalf of the bargaining agent: K. Steel, A. Stanton, N. Kent and J. Gunn. Your Board endeavoured to conduct its hearings in as informal a manner as possible, giving both parties full opportunity to express their views.

#### Still in Dispute

At the beginning of the hearings the parties agreed that the following were the matters still in dispute:

1. Union security
2. Existing benefits
3. No discrimination
4. Hours of work
5. Work on scheduled days off
6. Night differential
7. Leave for union activities
8. Sick leave
9. Statutory holidays
10. Promotions and transfers
11. Reports on performance
12. Grievance procedure
13. Strikes and lockouts
14. Pay for jury duty
15. Meals and coffee breaks
16. New equipment
17. Wages
18. Duration of agreement
19. Vacations
20. Seniority
21. Notification to union
22. No strike breaking
23. Excessive hours and safety
24. General wage provisions

Your Board reports that as a result of its hearings agreement was reached on all of the above items excepting for the following:

1. Sick leave
2. Promotions and transfers
3. Existing benefits
4. Duration of agreement
5. Seniority
6. Wages
7. General wage provisions
8. Hours of work

The main area of disagreement centres around wages.

With respect to the matters still in dispute your Board reports and recommends as follows:

#### Sick Leave

The employer presently has in effect a group insurance and weekly indemnity plan, providing for payments due to absence from work resulting from accident or sickness up to a maximum of \$30 a week for a maximum period of 13 weeks. Payments commence on the first day in the case of accident and on the eighth day in case of sickness. The premium cost is shared equally. The company is prepared to extend this coverage on a sharing basis.

The employees are requesting accumulated sick leave at the rate of one day a month up to a maximum of 90 days, the employee to assign to the employer their present insurance benefits.

Your Board is of the opinion that the purpose of sick leave is to provide protection for the employee in the event he is unable to perform his functions due to illness. With that in mind your Board recommends that the present insurance be extended to provide for payment to the employee of two-thirds of his monthly income from the company to a maximum of six months absence from work, due to sickness, premium costs to be shared equally.

#### Promotions and Transfers

The disagreement here revolves around the employers contention that it should be the sole "judge" in respect to promotions and transfers and that its decision should not be open to review. To this the union objects, and suggests that grievance procedure should be available to the union where

it feels that a promotion or transfer has been improperly made.

Your Board would recommend that decisions of the employer in this area may, at the instance of the union, be the subject matter of grievance procedure but in such event, the onus of proving the employer has acted improperly shall be upon the union.

#### Existing Benefits

The union contends that present benefits enjoyed by the employees concerned shall not be altered or changed in such a manner as to discriminate against the employees in the collective bargaining unit, even though such benefits are not specifically referred to in the agreement. The union is primarily concerned with shift rotation and the practice of employees' exchanging shifts with another employee, with the consent of the employer.

The employer contends that the collective bargaining agreement should reflect the entire agreement and objects to such a "catch-all" clause.

Your Board would recommend that all matters of benefit not specifically referred to in the agreement be regarded as matters of company policy and prerogative. With respect to the matters of shift rotation and exchanging of shifts aforesaid, your Board recommends that this benefit be incorporated into the agreement, the company to allow the continuation of such benefit, providing no extra cost shall accrue to the company as a result thereof.

#### Seniority

The area of disagreement revolved around the date of commencement of seniority, the company advocating commencement at the end of the probationary period and the union advocating seniority reverting back to the beginning of the probationary period.

Your Board would recommend that seniority should be considered to have commenced at the date of hiring where an employee has successfully completed his probationary period. Your Board would further recommend a probationary period of six months.

#### Hours of Work

The union, while originally advocating an eight-hour day and forty-hour week, now indicate they are prepared to accept a ten-hour day and forty-hour week. The company, in its submission to your Board, requested a ten-hour day, forty-hour week with the right to average the hours over a period of five weeks.

Your Board would recommend that hours of work include a ten-hour day with a forty-hour week with no right to the employer to average weeks over any period of time.

All other matters pertaining to hours of work and overtime appear to be agreed between the parties--your Board would however reiterate to the parties their agreement reached before the Board on a ten-hour turn around period, the posting of schedules by Wednesday noon of the week prior to their effect and minimum overtime of two hours at time-and-one-half on call backs.

#### Wages, General Wage Provisions, Duration of Agreement

This is an extremely distressing area--one in which the utmost in compromise is essential if an agreement is to be reached.

The company contends that it has, in the period from July 1959 to September 30, 1966, suffered a net operating loss of \$217,330. In the last two fiscal years of the above period the company showed operating profits of \$36,870 and \$31,705. The company is, however, projecting a loss for the current fiscal year of \$66,800 basically as a result of the company's relationship with CTV Television Network. In 1967, apparently CTV affiliate stations agreed to a certain change in the allocation of advertising expenses and revenues, resulting in a decrease in net revenue from advertising to the smaller affiliate stations. The company has protested to the network and is hopeful that the matter will be re-adjusted.

The union contend, and with justification, that wages being paid to employees in the bargaining unit, particularly those who have passed the training period, are not sufficient to provide a fair and reasonable standard of living.

The company policy and practice is to bring in unskilled employees to maintain its staff. The union agree that a period of training, usually one year, is necessary before such employee becomes reasonably proficient, and that initial wages to new employees should be compensated to some extent by the training received by the employee. It is also agreed that many new employees are merely using the company as a stepping stone to greener pastures.

The impression was gained by your Board that neither the company nor the union have made sufficient study of the various factors involved in arriving at a proper wage schedule. The matter of classification of employees must be considered in conjunction with the setting of a proper wage schedule. For example, the company at the hearings withdrew its suggested wage schedule, which had not been accepted by the union, because on a cost analysis during the hearing, the resulting costs were more than the company could stand. On the other hand the union, in considering a proposed wage schedule, transferred several employees from a previously assigned classification to a different classification solely to place such employees in a higher wage bracket. Much work remains to be done both by the company and the union in reaching a proper classification of its employees in the bargaining unit. There should be undertaken a job evaluation study.

#### In Bargaining Unit

The following is a listing of the employees presently in the bargaining unit showing their present monthly salaries, nature of work and date of commencement of employment:

<u>Name</u>	<u>Salary</u>	<u>Position</u>	<u>Date Hired</u>
Dash	\$217	film editor	Jan. 3, 1967
Rayner	\$217	film editor	Mar. 23, 1966
Carpentier	\$217	operator	Feb. 15, 1966
Gunn	\$225	operator	Feb. 28, 1964
Keller	\$217	operator	Dec. 2, 1966
Kerr	\$217	operator	Mar. 1, 1965
Mative	\$217	operator	Jan. 20, 1966
Maffatt	\$300	operator	Nov. 28, 1965
Petrescue	\$217	operator	Aug. 22, 1966
Proudlove	\$217	operator	Sept. 6, 1966
Stanton	\$305	operator	Aug. 1, 1961
Campbell	\$250	technician	Jan. 2, 1967
Kent	\$350	technician	Mar. 13, 1947
Okestron	\$250	technician	Sept. 27, 1963



Your Board is of the opinion that the setting of proper wage schedules and proper classification of its employees in the bargaining unit is essential, but this is an area in which, as previously stated, both the company and the union must give further and intensive study. The agreement which the parties are now endeavouring to reach is the first collective bargaining agreement. It is to be expected that there is presently a great deal of misunderstanding, mistrust and non-co-operation on both sides.

In the interests of enabling the parties to reach an agreement at the present time your Board makes the following recommendations:

1. That the agreement be retroactive to January 1, 1967.
2. That employees presently designated as operators and technicians receive an immediate increase of  $12\frac{1}{2}$  per cent over present wages, subject to the following:
3. That employees presently designated as film editors receive an immediate increase of 8 per cent over present wages subject to the following:
4. That an agreement for two years is recommended with similar increases, again based on present salaries, for the second year of the agreement saving that the increase for film editors in the second year shall be 7 per cent instead of 8 per cent.

5. That no employee shall be entitled to any of the increases until he has completed six months service with the company, calculated from the dates of hiring hereinbefore referred to.
6. That employees be paid twice monthly, on the 15th day and last day of each month.

Your Board is hopeful that this will effect immediate relief from the situation in which the parties now find themselves and that when the time does come for re-negotiating the contract, both parties will be in a much better position to properly appraise the matter in a situation less hostile.

All of which is respectfully submitted.

Dated at Moose Jaw, Sask.,  
this 24th day of February, 1967.

(Sgd.) Benjamin Moore,  
Chairman.  
(Sgd.) R. L. King,  
Member.  
(Sgd.) N. G. A. Wilson,  
Member.

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#### Report of Board of Conciliation and Investigation established to deal with dispute between

Canadian Pacific Railway Company (Dining Car Service Employees)  
and  
Brotherhood of Railroad Trainmen

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The Board of Conciliation and Investigation established to deal with a dispute between Canadian Pacific Railway Company (Dining Car Service Employees), and Brotherhood of Railroad Trainmen was under the chairmanship of Dr. Louis Fine of Toronto. He was appointed by the Minister of Labour in the absence of a joint recommendation from the other two members of the Board, R. V. Hicks, Q.C., and Harry S. Crowe, both of Toronto, who were previously appointed on the nomination of the company and union, respectively. The report of the Chairman and Mr. Crowe constitutes the report of the Board. A minority report was made by Mr. Hicks. The reports were received by the Minister of Labour in March.

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#### Issues and Arguments

The issues before this board were:

1. The demand of the union that the provisions of the Canada Labour (Standards) Code Part 1, Section 5(1) and 5(2), which state that the working hours of an employee shall not exceed 40 hours in one week, and which in some circumstances provide for a calculation of an employee's hours of work as an average for a period of two or more weeks, should be implemented with no reduction of the take-home pay of the employee.

The demand of the union that effective June 1, 1966, rates of pay, arbitraries and special allowances, covering all employees, shall be increased by twelve and one-half per cent ( $12\frac{1}{2}\%$ ) plus twenty-seven cents (27¢) an hour.

The demand of the union that a crew consist for each type of car be specified in the agreement.

The demand of the union that a work stabilization agree-

ment be entered into between the two parties.

2. During the course of the hearings of the board the work stabilization demand of the union was modified to become a furlough allowance and separation allowance demand. The company made a proposal in this area which I include in my recommendations.

3. Also during the course of the hearings the crew consist demand of the union was modified to become a demand for a guarantee of a total number of employees for each type of car rather than of specified numbers of each category of employee for each type of car. Neither of these was something that was within the competence of the board to resolve. My recommendation in this, I hope, will point the way to a resolution by the parties themselves.

4. Hours of work, wage rates, and of course the period of the agreement were the issues remaining.

5. The contention of the union was that an act of Parliament had stated that employees within federal jurisdiction

should not work more than 40 hours a week, with provision for averaging the calculation of 40 hours, and with provision for deferment in some industries until problems of the industry had been worked out. In the case of the employees before the board the deferment had been applied for by the company, but the application had not been acted upon. Many months had passed and employees were still working a 48-hour week. Their counterpart on the Canadian National Railways -- The CN Dining Car Employees -- had entered an agreement providing for a reduction in three steps (July 1, 1966, January 1, 1967, June 1, 1967) from 48 to 40 hours a week (actually 208 to 174 hours per month). With maintenance of take-home pay it was the contention of the union that such reduction of hours should be accompanied by such an increase of hourly rates as would maintain monthly take-home pay.

6. The contention of the company was that it could not agree to give the employees before the board (dining car employees) better conditions than it had agreed to give its sleeping car employees who are in another union and who had entered an agreement with the company reducing both hours of work and monthly pay, i.e., no compensation for reduction in hours.

7. The company position was that it would be unfair to grant this, in light of its settlement with its sleeping car employees. In my view, this position means simply that dining car employees are denied their right to collective bargaining on this issue. I take the company position to be a refusal of this demand, while dining car employees insist on this demand. Also, it is noted that both Canadian National dining car employees and sleeping car employees are covered by an agreement reducing hours but maintaining take-home pay.

8. In representations to the board on the issue of wages, both the union and the company made references to the demands of the non-operating employees and to the latest stage of their mediated negotiations pursuant to the special act of Parliament. Neither party delved into the issue much beyond these references. Naturally, this influences the recommendation I make with respect to increases in wage rates.

#### RECOMMENDATIONS

9. The principle of the 40-hour week embodied in the Canada Labour (Standards) Code must be recognized. I recommend that an ultimate maximum of 174 hours in assigned service shall constitute a basic month in accordance with the following schedule of implementation and with an upward adjustment of rates at each step to maintain the previous monthly pay:

1. An initial reduction in hours from 208 to 199, effective the first day of the month following the signing of the agreement, with overtime payable at time-and-one-half for hours in excess of 199.

2. A second reduction in hours from 199 to 194, effective June 1, 1967, with overtime payable at time-and-one-half for hours in excess of 194.

3. A third reduction in hours from 194 to 189, effective December 1, 1967, with overtime payable at time-and-one-half for hours in excess of 189.

4. A fourth reduction in hours from 189 to 184, effective June 1, 1968, with overtime payable at time-and-one-half for hours in excess of 184.

5. A fifth reduction in hours from 184 to 179, effective December 1, 1968, with overtime payable at time-and-

one-half for hours in excess of 179.

6. A final reduction in hours from 179 to 174, effective June 1, 1969, with overtime payable at time-and-one-half for hours in excess of 174.

10. In addition to the increases that will result by the above paragraph, I recommend that all rates of pay, arbitraries and special allowances shall be further increased in accordance with the following schedule of implementation:

4 per cent, effective June 1, 1966

4 per cent, effective December 1, 1966

7 per cent, effective June 1, 1967

3 per cent, effective December 1, 1967

6 per cent, effective June 1, 1968.

11. I recommend that the proposal of the company before the board that the provisions of the existing job security program contained in the agreement between the company and the unions representing the non-operating employees, and any future provisions agreed to under the program, shall be extended to the employees before this board with all costs borne by the company.

12. I recommend that the company and the union endeavour to settle their differences regarding staffing of crews under article 15 of their agreement which provides that staffing of cars "shall be the subject of negotiations between the company's officers and the employees' representatives in each district". And, under article 18, which provides that "all differences between the parties to this agreement concerning its meaning or violation which cannot be mutually adjusted, shall be submitted to Canadian Railway Board of Adjustment No. 1 for final settlement without stoppage of work."

13. I recommend that the term of the agreement shall be from June 1, 1966 to May 31, 1969, and that save as aforesaid, the terms and conditions of the former agreement shall be continued.

Respectfully submitted,

Dated at Toronto, Ont.,  
this 21st day of February, 1967.

(Sgd.) Louis Fine,  
Chairman.

(Sgd.) H. S. Crowe,  
Member.

#### MINORITY REPORT

I have reviewed the report of the chairman in this matter, but have not had the opportunity of reading the report of my other colleague upon this Board.

I am pleased to agree with three of the four recommendations made by the chairman, subject to certain clarifications thereof.

With respect to his recommendations regarding the wage increases as set forth in paragraph (10) of the chairman's report, I am pleased to concur with his recommendation that the following increases in rates of pay should be granted on the condition that they respectively apply to the rates of pay in effect on May 31, 1966:

4 per cent, effective June 1, 1966

4 per cent, effective December 1, 1966

7 per cent, effective June 1, 1967

3 per cent, effective December 1, 1967

6 per cent, effective June 1, 1968.



As to the chairman's recommendations concerning "job security", the company's offer contemplated that it would make available to these employees the same benefits as prevail under the existing job security program contained in the agreement between the company and the union representing its non-operating employees, together with any future benefits agreed to thereunder, with the cost to be met from a fund maintained by the company. I am pleased to recommend the adoption of this offer by the company which I presume was likewise intended by the chairman as clarified above.

I am further pleased to concur in the recommendation of the chairman regarding staffing of crews as contained in paragraph 12 of his report.

Turning to the remaining issue involving the reduction in the work week, I regret I am unable to join in this recommendation of the chairman. The brotherhood submitted that it should be accorded the same arrangement as that applicable to the dining car employees on the Canadian National system. On the other hand, Canadian Pacific Railway contended that its dining car employees should be treated on exactly the same basis as the settlement governing its own sleeping car porters, pointing out that having maintained earnings for dining car employees when their working hours were reduced from 240 to 208 hours per month, the maintenance of their regular earnings upon being reduced to a 40-hour week would

grant them a benefit not received by other employees of the company. Regrettably, the Board was unable to reconcile these opposite points of view.

In examining the merits of the respective positions of the brotherhood and the company, in my view the most valid test to be applied is that of the agreement arrived at in good faith with regard to the sleeping car porters who are also employed by Canadian Pacific Railway, rather than adopt a form of settlement negotiated on another system. Further, granting a second reduction of hours with unconditional maintenance of regular earnings would confer on these employees a substantial benefit which was not received by any employees of the company. This railway's position is, therefore, completely justified if it is to avoid discrimination between its own employees.

Accordingly, I would recommend adoption of the formula for the reduction of working hours as proposed by Canadian Pacific Railway.

All of which is respectfully submitted.

Dated at Toronto, Ont.,  
this 7th day of March, 1967.

(Sgd.) R. V. Hicks,  
Member.

# CANADA LABOUR RELATIONS BOARD

## Reasons for Judgment in Application for Certification affecting

Canadian Union of Public Employees	Applicant
and	
Canadian Broadcasting Corporation	Respondent
and	
International Alliance of Theatrical Stage Employees and Moving Picture Machine Operators of the United States and Canada	Intervener

The Board consisted of A. H. Brown, Chairman, and A. H. Balch, E. R. Complin, Kenneth Hallsworth, and A. J. Hills, members.

The Judgment of the Board was delivered by the Chairman.

The Applicant applied on June 27, 1966 to be certified as bargaining agent for a system-wide unit of stagecraft and production employees of the Respondent, who have been represented heretofore by the Intervener as their bargaining agent based upon an order certifying the Intervener as the bargaining agent of employees in said unit, made by this Board under date of August 6, 1953, pursuant to the Industrial Relations and Disputes Investigation Act.

Under date of October 13, 1966, following the normal course of investigation of the application and a hearing thereon at which the above-cited parties were represented, the Board ordered a vote of employees in the bargaining unit to be taken by secret ballot under the direction of the Board's chief executive officer with the names of the Applicant and the Intervener on the ballot in order to determine the wishes of the employees in the unit as to their choice of bargaining agent. This vote was held on November 23, and November 24, 1966, with an advance poll held on November 16, 1966.

The result of this vote as determined by the Board was as follows:

Eligible voters	- 1,668
Ballots cast	- 1,522
Ballots cast for Applicant	- 818
Ballots cast for Intervener	- 439
Spoiled ballots disallowed	- 265

The result of the vote of the Montreal employees in the unit, which was conducted at four polling stations situate in the Respondent's premises at 1425 Dorchester St., 195 rue Seminaire, 1625 St. Luc Street and 1410 Stanley St., Montreal, Que., was as follows:

Eligible voters	- 701
Ballots cast	- 632
Ballots cast for Applicant	- 292
Ballots cast for Intervener	- 78
Spoiled ballots disallowed	- 262

Of the 262 spoiled ballots cast at the Montreal polls, 259 thereof were disallowed for the reason that they were marked by a write-in vote in favour of the Confederation of National Trade Unions, an organization that was not a party to the vote.

Following upon the vote, the Applicant filed a protest with the Board alleging irregularities in connection with the vote and requested the Board to either (a) delete from the total number of employees on the eligible voters list the number of 259 spoiled ballots that had been marked by a write-in vote in favour of the Confederation of National Trade

Unions (this would have the effect of reducing the total number of eligible voters for the purpose of the count from 1,668 to 1,409); or (b) order a new vote of the Montreal employees of the Respondent on the voters' list; or (c) order a new vote of the employees of the Respondent on the voters' list in the unit as a whole.

In support of requests (b) and (c) the Applicant alleged and led evidence that the Intervener had released election publicity material to the voters by mail after 11:59 p.m. of November 21, 1966, in contravention of an agreement made between the parties to the vote and accepted by the chief returning officer for the vote that no mail or press release or any other election publicity would be released by any of these parties after 11:59 p.m. of November 21, 1966. The Board is of the opinion, after consideration of the views expressed as to the meaning of the terms of the agreement and the evidence and arguments advanced by the parties at the hearing, that the terms of the agreement were not breached by the Intervener as alleged.

The other evidence upon which the Applicant relies to establish a case for the ordering of a vote by the Board under either of alternatives (b) or (c) above pertains to the activities of the Confederation of National Trade Unions (hereinafter called 'CNTU'), its affiliate Le Syndicat Général du Cinéma et de la Télévision (hereinafter called the 'Syndicat') and their supporters in the period immediately preceding the vote in the Montreal area and during the period of that vote held on November 23, and November 24, 1966, at the polling stations in Montreal where the vote was taken, and in the public statements of CNTU supporters reported in the Montreal press or delivered on Montreal radio and T.V. stations in the period of and immediately preceding the vote.

This Board had rejected in January 1966 an application by the Syndicat to be certified as bargaining agent for a group of employees employed in the Quebec division of the Respondent who were at that time and are now included in the system-wide unit of employees of the Respondent for which the Intervener had been certified as bargaining agent in 1953 by the Board, and, who had been covered thereafter by successive collective agreements between the Intervener and the Respondent, the last of which had a termination date of December 31, 1965. The Board's reasons for rejection of that application were issued under date of January 12, 1966 (Labour Gazette Supplement No. 3, 1966). It is common knowledge that the CNTU, the Syndicat and their supporters have carried on, following this rejection, a continuing campaign of public propaganda



utilizing available news and other media in protest of this rejection and asserting the right of the Syndicat to represent the Quebec division employees of the Respondent affected by the decision.

The Applicant submits that there was extensive interference, restraint and coercion attempted and exercised by the supporters of the CNTU and the officers and supporters of the Syndicat in respect of the vote to prevent or discourage voters from entering the Dorchester Street building polling station in Montreal to vote in the election on November 23, and November 24, 1966, by massing numbers of persons in the corridor and other areas leading to the polling booth situated therein and in virtue of the nature of the comments of such persons derisive of the Applicant directed at the incoming voters to discourage or influence their votes, and in the distribution of CNTU propaganda literature to persons presenting themselves at the polling station to vote and in the affixing of CNTU stickers and small posters both within and outside the polling booths at this and other of the polling stations in Montreal. Applicant also submits that a picket line of CNTU supporters was placed around the main entrance of the CBC Dorchester Street building on November 23, and November 24, with the object of persuading employees of the Respondent in the voting unit to boycott the vote at that polling station.

The Dorchester Street building polling station in Montreal was open for voting purposes on November 23, 1966, from 7:00 a.m. to 10:00 a.m., and from 2:30 p.m. to 5:30 p.m., and from 9:00 p.m. to 11:59 p.m.; and on November 24, 1966, from 10:00 a.m. to 12:00 noon, and from 2:30 p.m. to 5:30 p.m., and from 9:00 p.m. to 11:59 p.m. The Board finds on the evidence that although there was a group of dissidents congregated around the main entrance to the CBC Dorchester Street building in the period between noon and the opening of the afternoon poll on November 24, 1966, these persons had dispersed by the time of the opening of the poll at 2:30 p.m. on that day. There was no evidence that, in the opinion of the Board, supports the view that the group was operating as a picket line or that this congregation of persons deterred any person wishing to vote from voting at this polling station. Nor is there evidence of any other episode of this nature having taken place during the taking of the vote on either of the voting days of November 23 or November 24.

The Board finds upon the evidence that in the period immediately preceding and following the opening of the Dorchester Street building polling station at 2:30 p.m. on November 23 there were a number of persons congregated in the corridor leading to this polling station and in the cafeteria adjacent thereto, who were distributing CNTU propaganda literature and uttering remarks derisive of both the Applicant and the Intervener directed at those entering through these approaches to the polling station to vote. These persons were dispersed and these approaches to the polling station were cleared with reasonable promptitude by action of the commissionaires employed by the Respondent upon the request of the returning officer at the poll when this situation became fully apparent to the returning officer in charge of the station.

There was no evidence of any further incident of this nature having taken place at this or any other of the Montreal polling stations in the same or in any other of the voting periods. Evidence was given concerning two persons on the

voters' list of the Dorchester Street building poll as having been discouraged by this corridor demonstration from voting during this demonstration period in the Dorchester Street building, but both of these persons cast their votes subsequently, one of them, at least, later in the same afternoon. The returning officer at the Dorchester Street building polling station, as well as the returning officers at other polling places in Montreal, had to be continuously on the alert throughout the polling periods on November 23, and November 24, to check the polling booths and approaches thereto to remove from the walls thereof CNTU small propaganda posters and stickers pinned or pasted thereon evidently for the most part by some persons on the voters' list who had presented themselves at the polling station to mark their ballots.

Nevertheless, the Board is not satisfied that the incidents which occurred, considered individually or in toto, warrant as a reasonable conclusion therefrom that persons entitled to vote and wishing to vote were deprived of the opportunity to vote or did not vote by reason thereof or were unduly influenced in the casting of their votes by reason thereof so as to warrant the ordering of a new vote of the Montreal employees. In reaching this conclusion, the Board took into consideration the substantial periods of time that the Dorchester Street building polling station was open on the days of November 23, and November 24, and that the Montreal employees had been exposed to the CNTU propaganda over a considerable period of time preceding the vote. Nevertheless, the Board does not condone or pass over lightly the disorderly nature of the conduct of the CNTU and Syndicat supporters at the polling stations. The ultimate objective of the CNTU and the Syndicat in the matter of employee representation is an objective that the Syndicat is entitled to pursue in the manner and in accordance with the procedures provided in the Industrial Relations and Disputes Investigation Act, but the tactics employed in connection with this November vote were, in the opinion of the Board, both ill-advised and mischievous.

The Applicant submits that its position as a party to the vote was further prejudiced by virtue of statements made by influential public personages, as reported in the Montreal press or given over Montreal radio or T.V., in the so-called silent or non-propaganda period agreed upon by the parties to the vote, tending to advocate a boycott of this vote by the Montreal employees in the voting unit or the marking of their ballots by a write-in vote for the CNTU in its French language abbreviation CSN. Although the Board appreciates that the Applicant may consider itself aggrieved by the public expressions or reported expressions of views of such personages, the latter were not bound by the agreement of the parties to the vote, nor is it within the scope of the jurisdiction of this Board to interfere with such public expression of views.

We now turn to a consideration of the 259 ballots cast at the Montreal polls that have been adjudged spoiled by reason of the write-in thereon of the symbols CNTU or CSN. The Applicant submits that these write-ins were engineered and promoted by the CNTU and were extremely prejudicial to the Applicant, because they had the result of spoiling the ballots and thus reducing the possibility of the Applicant's being able to secure an absolute majority of the votes of those entitled to vote in the election in order to displace the Intervener as the certified bargaining agent for the unit of employees. The Applicant requests the Board, accordingly, to delete from the number of employees on the eligible voters' list the

number of the 259 ballots so spoiled and thus reduce the number of eligible voters accordingly, or to order a new vote. There can be little doubt in the opinion of the Board that the write-in of the symbols CNTU or CSN on these ballots was engineered and promoted by the CNTU and the Syndicat for the dual purpose of spoiling the ballots and demonstrating that those who so marked their ballots did not support either the Applicant or the Intervener as their bargaining agent, and was directed at the most formidable of these two parties from the viewpoint of the CNTU and the Syndicat, namely, the Applicant. However, the Applicant was unable to satisfy the Board that the Board has the authority under the Industrial Relations and Disputes Investigation Act to give effect to the Applicant's request to reduce the number of the voting constituency, nor is the Board of opinion that a further vote of the Montreal employees in the unit is

warranted on this ground, or would serve to better determine the wishes of these employees as to their choice of bargaining agent.

For the reasons given above, the request of the Applicant for a further vote of employees in the unit, or in the Montreal group of employees in the unit, is rejected, and the application of the Applicant for certification is rejected for the reason that the result of the vote taken shows that the majority of employees in the bargaining unit have not selected the Applicant as their bargaining agent.

Dated at Ottawa, Ont.,  
February 17, 1967.

(Sgd.) A. H. Brown,  
Chairman, for the Board.





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No. 3, 1967

# CONCILIATION BOARD REPORTS together with CLRB REASONS FOR JUDGMENT



Conciliation Board Report in dispute between

Pacific Western Airlines Limited (I.F.R. Pilots) and Canadian Air Lines Pilots' Association

Reasons for Judgment in Applications affecting

Syndicat National des Employés de la Banque Canadienne Nationale (CSN) (Applicant) and La Banque Canadienne Nationale (Respondent)  
National Association of Broadcast Employees and Technicians (Applicant) and Baton Broadcasting Limited (Respondent)  
Local 31, International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America (Applicant) and Midland Superior Express Limited (Respondent)



A LABOUR GAZETTE SUPPLEMENT

CANADA DEPARTMENT OF LABOUR

Hon. John R. Nicholson, Minister

George V. Haythorne, Deputy Minister





## CONCILIATION BOARD REPORT

Report of Board of Conciliation and Investigation established to deal with dispute between

Pacific Western Airlines Limited (I.F.R. Pilots), Vancouver  
and

Canadian Air Line Pilots' Association

The Board of Conciliation and Investigation established to deal with a dispute between Pacific Western Airlines Limited (I.F.R. Pilots), Vancouver, and Canadian Air Line Pilots' Association was under the chairmanship of George W. Rogers of Vancouver, B.C. He was appointed by the Minister of Labour in the absence of a joint recommendation from the other two members of the Board, E.A. Alexander, Q.C., and P. Baskin, both of Vancouver, who were previously appointed on the nomination of the company and union, respectively.

The report was received by the Minister of Labour in April.

Hearings were held in Vancouver, B.C., on February 27, March 1, 2 and 3, 1967 with the Board itself meeting on March 6, 10, 11, 23 and 28.

Appearing for the company were: Boyd Ferris, A.R. Eddie, J.C.S. Miles, K.E. Bjorge and D.J. Almas. Appearing for the association were: Cleve Kidd, R.I. Bell, Gordon Moul, Brian Bourne and W. Clark.

During the hearings, and in discussions with the Board, the parties reached tentative agreement on a large number of items originally in dispute. It is the opinion of the Board that the parties are best able to determine the wordings for those items so resolved.

After careful consideration of the briefs and representations, this Board recommends that the parties hereto renew their collective agreement with such amendments as necessary to give effect to the items already resolved together with the following:

1. Mainline: Flight time limitations

Mainline: 95 in any month; 255 in any quarter; 1,020 in any year; with return to base clause and any excess time caused by return to base clause charged to next quarter.

2. Quarters

Quarters to commence Feb. 1, May 1, Aug. 1, Nov. 1.

3. Duty Time Reduction

Effective Nov. 1, 1968 duty times shall be reduced one-half hour for each landing in excess of eight made during the continuous on-duty period.

4. Reserve Days

Reserve days may be placed in regular Monthly Cycle Schedules according to the following ratio:

If cycle contains not more than 85 hours: 1 reserve day  
Plus for each 3 hours less than 85 hours: 1 additional reserve day.

5. Deduction of Dues

Compulsory dues check-off.

6. Term of Agreement

Term of Agreement to be two years from January 1, 1967.

7. Salaries as in Appendix "A" hereto

The attention of the parties is directed to Section 31(2) of the Industrial Relations and Disputes Investigation Act in the event further information is required.

THIS REPORT IS UNANIMOUS

Dated at Vancouver, B.C., this 28th day of March, 1967.

(Sgd.) George W. Rogers,  
Chairman.

(Sgd.) E.A. Alexander,  
Member.

(Sgd.) P. Baskin,  
Member.

APPENDIX "A"  
to report dated March 28, 1967

DC3/46	DC4	CONV.	DC6	DC7	HERC.
Captains - Effective January 1, 1967					
1,044	1,181	1,240	1,301	1,340	1,447
1,150	1,244	1,305	1,417	1,459	1,576
1,236	1,391	1,459	1,533	1,579	1,705
Effective July 1, 1967					
1,065	1,205	1,265	1,328	1,367	1,477
1,173	1,269	1,332	1,446	1,489	1,608
1,261	1,419	1,489	1,564	1,611	1,740
First Officers - Effective January 1, 1967					
514	529	545	556	572	618
514	529	545	556	572	618
595	622	641	654	673	726
669	698	718	732	754	813
750	777	802	815	840	907
775	806	829	845	870	940
775	828	854	870	897	968
824	853	878	895	921	995
Effective July 1, 1967					
524	540	556	567	584	631
524	540	556	567	584	631
607	635	654	667	687	741
683	712	733	747	769	830
765	793	818	832	857	926
791	822	846	862	888	959
791	845	871	888	915	988
841	870	896	913	940	1,015
Second Officers - Effective January 1, 1967					
			514	527	555
			537	551	580
			560	573	605
			583	597	629
			606	619	655
			629	643	679
			653	666	710
			675	689	730
Effective July 1, 1967					
			524	538	566
			548	562	592
			571	585	617
			595	609	642
			618	632	668
			642	656	693
			666	680	724
			689	703	745

CANADA LABOUR RELATIONS BOARD

Reasons for Judgment in Application for Certification Affecting

Syndicat National des Employés de la Banque Canadienne Nationale (CSN)  
and  
La Banque Canadienne Nationale

Applicant  
  
Respondent

---

The Board consisted of A.H. Brown, Chairman; and A.H. Balch, E.R. Complin, J.A. D'Aoust, Jacques Gullbault, Kenneth Hallsworth and A.J. Hills, Members. The judgment of the Board was delivered by the Chairman.

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The Applicant applies to be certified as bargaining agent for a unit of employees of the Respondent comprising all employees of the I.B.M. Clearing Departments of the Respondent working at the main office of the Respondent at 147 St. Paul Street, Montreal, and at the main branch of the Respondent in Quebec City, situate at 71 St. Pierre Street, apart from management personnel.

This proposed unit consists in fact of three groups of employees, namely: Group A, who are employed in the clearing department of the Respondent's head office, a department which occupies office space on the 2nd floor of the Respondent's premises at 147 St. Paul Street, Montreal; Group B, who are employed in the clearing section of the Montreal main branch bank of the Respondent and who are occupying temporary office space on the 3rd floor of the aforesaid premises on St. Paul Street and who work under the direction of the Manager of the Montreal main branch bank; and Group C, who are employed in the clearing section of the Quebec City main branch bank of the Respondent situate at 71 St. Pierre Street and who are under the direction of the Manager of the branch. There was a total of 116 employees in the proposed unit at date of the application, according to the report of the Board's investigating officer.

The Applicant submits that the employees in the proposed unit are distinguishable from other clerical employees employed in the bank offices and branches of the Respondent in view of the nature of their work and the mechanical skills required of and exercised by them in the operation of I.B.M. machines in their work. It submits that the employees in the proposed unit are distinguishable as a group from other bank employees because they devote their full time to bank clearing work. It does not claim that these groups are the only employees engaged solely on bank clearing operations in the several Montreal and Quebec City offices of the Respondent, but claims that they are distinguishable as the only large groups of employees of the Respondent at these locations wholly engaged in bank clearing operations where I.B.M. machines are used. It submits that the working conditions of the employees in the proposed unit are different from those of other bank employees of the Respondent, relying largely upon the fact that there is normally an evening work shift of employees scheduled in these three groups comprising the proposed unit and evidence that there are few transfers in or out of the groups comprising the proposed unit.

The Respondent submits that the group of employees comprising the proposed unit is not separately appropriate for collective bargaining in that, inter alia, they are not distinguishable from other employees of the Respondent engaged in bank clearing operations, either as belonging to a craft or group exercising technical skills, or as otherwise distinguishable by reason of the nature of their work or the

manner in which performed or by reason of different conditions of employment.

The Respondent defines bank clearing as being the method adopted by banks to facilitate and accelerate the clearing of cheques, either by exchange of cheques between branches of the same bank or exchange of cheques and other instruments held by each bank drawn on another bank. Its evidence is that the nature of bank clearing operations carried on at its head office and at its principal branches at each of Montreal and Quebec are not different from the bank clearing operations at each of its other branch offices throughout its system except as to volume; that it has some 4,300 employees in its banking operations apart from its management group and has some 203 employees listed by it as working full time on clearing operations and that this listing includes not only employees at the Montreal and Quebec offices, specified in the proposed unit, but also employees at a considerable number of its other larger bank offices located both within and without the province of Quebec; and that there are some 1,600 of its full-time employees in its offices and branches across its banking system who work part time on clearing in conjunction with other bank office functions. Its evidence is that employees employed in bank clearing are under the immediate authority of the manager of the office where employed, as are the other employees in that office, and are indistinguishable from such other employees as regards working conditions and privileges. At the Respondent's head office in Montreal the clearing of cheques having to do with foreign currencies is handled by another head office department, namely, the Foreign Service Department, but the nature of the work is the same as in other bank clearing.

As regards the use of I.B.M. machines, the Respondent's evidence is that (1) there are 24 of these installed and operated in the offices where the employees in the proposed unit are located and 25 such machines installed and operated in other offices of the Respondent in connection with its clearing operations where the volume of bank clearing warrants such installation; (2) the main function of the I.B.M. machine in the clearing operations is to sort documents involved therein and add them in separate groups; (3) all employees who may be engaged in any degree in clearing operations in offices where these machines are installed are instructed in the use of the machine and that this instruction is given in each office by the more experienced operators of the machine in the office; and (4) the initial period of instruction and training is informal on-the-job instruction consisting of an initial explanation and demonstration of the operation of the machine, followed by subsequent daily short periods of immediate supervision of the work of the operator and in checking from time to time on the results of the employee's



work thereon. Applicant's evidence is that it takes upwards of three months experience to operate a machine satisfactorily and six months to become highly proficient thereon.

The Board is of opinion that the nature and extent of the training and skills required and exercised in the operation of the I.B.M. machines by the employees in the proposed unit are not such as to distinguish them as a separate craft group or group exercising technical skills. These employees are a part of the larger group of employees engaged full time in bank clearing, but the practical difficulties which would be involved in segregation for collective bargaining purposes of those engaged full time in bank clearing from other employees in the same office engaged part time in bank clearing and the balance of time in other phases of banking office activities appear formidable. Considered upon the basis of community of interest, the Board is of opinion that persuasive grounds have not been put forward in the evidence adduced for the segregation for collective bargaining purposes of employees engaged in clearing from other employees engaged in other phases of banking activities in the same office.

For the reasons given, the Board is not satisfied on the evidence that the proposed unit is separately appropriate for collective bargaining and the application is rejected accordingly.

Counsel for the Applicant cited a number of earlier certifications granted by this Board, reported in issues of the Labour Gazette, in which the Board had certified the Canadian Brotherhood of Railway, Transport and General Workers for local or regional units of clerical or manual non-operating employees of the Canadian National Railways and had certified the Brotherhood of Railway and Steamship Clerks for local or regional units of clerical or manual non-operating employees of the Canadian Pacific Railway Com-

pany, as precedents for recognition of the appropriateness of local bargaining units of the type applied for in the present application. Collective bargaining units of office and manual non-operating employees of Canadian railway companies were first established upon the basis of voluntary recognition accorded by the railway company to the railway union as bargaining agent for local or divisional groups of such employees in the period prior to the inception in 1944 of compulsory collective bargaining under the Wartime Labour Relations Regulations. Certifications granted subsequently under the Wartime Labour Relations Regulations and later under the Industrial Relations and Disputes Investigation Act in respect of local or divisional groups of office or manual non-operating employees of these railway companies have been granted in instances where the bargaining agent was already the well-established bargaining agent at that time for other similar groups of clerical or manual non-operating employees of the same railway company. Thus, the certifications so granted in these instances had the effect in substance of adding the employees in the certified unit to the major group of employees whom the bargaining agent represented already as bargaining agent and in the view of the Board are thus not relevant to the circumstances of the present application.

Dated at Ottawa, April 12, 1967.

(Sgd.) A. H. Brown,  
Chairman, for the Board

Louis Pratte, Esq., Q. C., for the Applicant

Paul F. Renault, Esq., Q. C., for the Respondent

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Reasons for Judgment in Application for Certification Affecting

National Association of Broadcast Employees and Technicians  
and  
Baton Broadcasting Limited

Applicant  
  
Respondent

---

The Board consisted of A.H. Brown, Chairman; and A.H. Balch, J.A. D'Aoust, Kenneth Hallsworth and A.J. Hills, Members. The Judgment of the Board was delivered by the Chairman.

---

The Respondent operates a television broadcasting and recording enterprise, including the operation of television Station CFTO, at Agincourt, Ont.

The Applicant applies to be certified as bargaining agent for a unit of employees of the Respondent, consisting of all producer-directors and directors employed by the Respondent in connection with this enterprise.

The only employees of the Respondent who fall within this proposed unit are employees classified by the Respondent as producer-directors, of whom there were 13 employees in the proposed unit at the date of the application.

The Respondent contends that these employees exercise management functions and also have confidential duties in relation to labour relations and by reason thereof do not comprise a unit of employees appropriate for collective bargaining under the Industrial Relations and Disputes Investigation Act.

The Respondent uses its Station CFTO television facilities, including staff and studios, for production of two types of television shows, namely:

- (1) Shows produced for sale by the Respondent to show sponsors and hereinafter called 'A shows'. The Respondent carries the full responsibility for the production of an A show, including the assumption of all the cost of its production and broadcasting and sale; and
- (2) Shows produced by the Respondent under contract with and for the CTV network or other client for sale by such client to show sponsors and hereinafter called 'B shows'. The B shows include commercials produced for advertising agencies. The cost of the production of a B show is the sole responsibility of the client and the show is produced

under the direction of an executive producer selected by and responsible to the client for the format, production and quality of the show.

The employees of the Respondent classified as producer-directors are available for assignment by the Respondent at its discretion as producer-director on an A show, or as a director under the executive producer of a B show, and may work on either type of show. The rate of remuneration of each such employee is the same regardless of the nature of the assignment and the employee is paid on a yearly salary basis.

Where a producer-director is assigned to production of an A show, or A show series, he has the initial responsibility to work up the format for the show and to produce a draft script therefor, hiring a script writer for this purpose where required. The show format and draft script having been cleared by him with the Respondent's executive-producer, the producer-director works up an estimate of the personnel, studio facilities and time required to produce the show and this is translated into a detailed show cost estimate prepared by him with the assistance of the unit manager assigned by the Respondent's cost control manager to work with him in the costing of the show as well as in the application of the subsequent cost control procedures which the producer-director is required to follow in the production of the show. The cost estimate thus arrived at is submitted by him for approval at higher management levels. Upon such approval of the budget the producer-director is responsible to produce the show and to do so within the limits of the approved budget or as this may be subsequently revised. The matters involved therein include the show format, the stage set and stage effects and, where required, the music and costumes, and ordinarily the selection and subsequent employment on a contract basis of outside talent where required for the show. He has assigned to work with him on the production of the show a technical director, lighting director, floor manager and production assistant along with a staff of technicians, stage and camera crews and film editor drawn from the Respondent's production staff.

When he is ready to go ahead with the production, after ascertaining performer availability, he submits his scheduling proposals for the production to the Respondent's scheduling office. This office issues an approved production schedule for the show, based upon the availability of studio facilities and personnel assigned to the show production. The production of the show proceeds on the basis of this schedule, subject to such changes therein as may be worked out informally by the producer-director with the scheduling office. In the rehearsal of the show and in the control room in the shooting of the show the producer-director is in charge, working with and through the heads of the technician groups and with the stage and camera crews engaged in the production and in the direction of the performers. He is responsible to the Respondent's program director and the Respondent's executive director for the quality of the show and has the authority to accept or reject the work of the personnel engaged in the production, tempered, however, by his consideration of the financial limitations imposed by the approved budget. It is his responsibility to secure prior approval from the Respondent's executive producer or its program director before incurring production costs going beyond the approved budget, but he may act to do so on his own authority in an emergency situation holding up production. In such event he is required to provide a written explanation

to the program director for the action so taken. There was considerable evidence directed as to the extent of the authority exercised by the producer-director over his production crew and the manner in which exercised. This was perhaps not too decisive since what would be a direction in another industry may be conveyed as a suggestion in this industry where the producer-director is co-ordinating and directing the work of several groups of technicians working immediately under their own technical supervisors and covered by separate collective agreements.

It is the producer-director's concept of the desired result that governs regardless of the manner of communication. The workload of a producer-director who is assigned to take over a show series at a time after the series has been initially produced and broadcast is ordinarily lighter than the workload involved in the initial production of the show and the skill and experience required may be less exacting at this point and therefore may be assumed by a less experienced producer-director, but the basic responsibilities for direction of the show are still there.

In the case of B shows the client provides an executive producer for the show who is responsible to the client for the show budget, cost control and the format and quality of the show. One, and in some instances more than one, of the Respondent's producer-directors is assigned by the Respondent's executive producer to work as a director under the executive producer of a B show as a member of the CFTO production crew assigned to the production of the show. The performing talent required for the show is selected and hired therefor by the executive producer of the show. When so assigned to a B show the producer-director is the senior representative of the Respondent on the production set and as such acts in a liaison capacity. The extent of the responsibilities handled by a producer-director on assignment as director on a B show may vary considerably according to the discretion of the executive producer of the show and depending on the nature of the show. According to the evidence, in some instances one of the producer-directors assigned to a B show has acted as the executive producer of the show. On many of these assignments, however, the functions of the producer-director may be best described as those of an assistant director.

However, the Board concludes on the evidence that the unit is inappropriate for collective bargaining in view of the nature and extent of the management functions exercised by the producer-directors in the production and broadcasting of A shows notwithstanding the varying nature of their assignments on B shows.

The Applicant referred in its evidence to two relatively recent decisions of this Board involving the inclusion of switcher-directors in bargaining units of employees of television stations at Calgary, Alta., and Regina, Sask., and to a collective agreement between Western Ontario Broadcasting Co. Ltd. and the Directors Guild of America covering director-producers. The combination of switcher and director functions performed by the employees in question was a determining factor in the decisions of the Board in the Calgary and Regina television station cases. We do not consider these decisions as relevant to the disposition of the present application. The Board has not issued any certification covering director-producers or producer-directors or directors in a unit of employees of Western Ontario Broadcasting Co. Ltd. Applicant also made reference in evidence to certain collective agreements entered into in the United States covering television producer-directors (free



lance and staff) employed at television stations in that country. It is not our understanding that these agreements are based upon certifications for units of employees covering these classifications of employees issued by the United States National Labor Relations Board. The decisions of the United States National Labor Relations Board on the status of television producer-directors and directors with comparative duties and responsibilities have held such employees to be supervisors under their National Labor Relations Act and thus inappropriate for inclusion in a collective bargaining unit; reference American Broadcasting Company 93 NLRB 1410 and WTOP Inc. 114 NLRB 1236.

Dated at Ottawa, May 11, 1967.

(Sgd.) A.H. Brown,  
Chairman, for the Board

E.B. Joliffe, Esq., Q.C.,  
Timothy J. O'Sullivan, Esq., for the Applicant

C.L. Dubin, Esq., Q.C.,  
H. Lorne Morphy, Esq., for the Respondent

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Reasons for Judgment in Application for Certification Affecting

General Truck Drivers and Helpers Union, Local 31, of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America	Applicant
and	
Midland Superior Express Limited	Respondent

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The Board consisted of J.J. Quinlan, Vice-Chairman and Acting Chairman; and A.H. Balch, J.A. D'Aoust, Jacques Guilbault, Kenneth Hallsworth, A.J. Hills and Donald MacDonald, Members. The Judgment of the Board was delivered by the Vice-Chairman and Acting Chairman.

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The Applicant applies to be certified as bargaining agent for a unit of employees of the Respondent employed at the Vancouver terminal, excluding office employees, sales staff, mechanics and those excluded by the Act. The unit might be described in more detail as employees classed as P. and D. leased operator (hereinafter sometimes referred to as owner-operators) and warehouseman at the Vancouver terminal and excluding employees at the terminal listed as office employees, salesmen, mechanic, dock foremen and terminal manager.

According to the Board's investigating officer there were nine owner-operators and eight warehousemen in the proposed bargaining unit at the date of making the application for certification. The Applicant desired to represent also the driver of a vehicle owned by one of the P. and D. leased operators. Subsequent to the date of the application, this driver acquired ownership of the vehicle, the former owner having previously accepted the position of salesman with the Respondent, who would not permit him to have a separate contractual relationship with it. The situation, therefore, is that all the vehicles were operated by their owners and no non-owner drivers were employed in the operation of the vehicles.

The Respondent is a corporate commercial common carrier, with head office at Calgary, engaged in the hauling of freight in and between the western and central provinces. In addition to its head office and Vancouver terminals, the Respondent has terminals at Edmonton, Toronto, Hamilton and Montreal. The Respondent also has a financial interest in a terminal and garage at Winnipeg, operated by the staffed with employees of Empire Freightways. It operates city pick-up and delivery services in a number of these cities and the P. and D. leased operators concerned in this application are engaged in pick-up and delivery operations at Vancouver.

All trailer equipment used in the pick-up and delivery

operations is owned by the Respondent. The tractors or trucks are owned by the owner-operators and the Respondent claims no financial interest in them. These vehicles, however, are registered in the name of the Respondent to comply with the British Columbia Public Utility Commission regulations. They also are painted in the colours of the Respondent and the Respondent's name appears thereon. Some, but not all, of these vehicles carry the name of the lease operator also. Of the nine owner-operators, three own and operate tractors used for spotting, pick-up or delivery of trailer loads while the remainder own and operate trucks used in pick-up and delivery of less-than-trailer-load traffic. Of the latter six trucks, four have a box or van belonging to the Respondent bolted on to the truck chassis and the maintenance of these boxes or vans is the responsibility of the Respondent. The vehicles based at the Vancouver terminal are engaged in pick-up and delivery operations only and no line-haul vehicles or drivers are involved in the proposed unit.

At the opening of the hearing before the Board, counsel for the Respondent raised objections to the proceedings before the Board, which may be summarized as follows:

(1) That the owner-operators who are the subject of the application are independent contractors and not employees of the Respondent.

(2) That an application for certiorari arising out of a previous decision of this Board in respect of line drivers of the Respondent, which was refused by the Alberta Supreme Court, is under appeal.

(3) That an application similar to that now before the Board has been made by the Applicant herein to the Quebec Labour Relations Board with respect to drivers and warehouse operators of the Respondent in Montreal. Counsel for the Applicant stated that neither he nor the Applicant had any knowledge of the application.

(4) That the owner-operators and warehousemen who are the subject of this application do not form an appropriate

bargaining unit. The position was taken also that the warehousemen alone did not constitute an appropriate bargaining unit.

(5) That the questionnaires completed for the Board's investigating officer were not suitable for determination of the matter before the Board.

It was considered that the Board could not adequately deal with these objections without hearing the evidence and argument and the hearing proceeded accordingly. In the course of examination and cross-examination of witnesses called on behalf of the Applicant and Respondent, the replies to the questionnaire referred to were reviewed and clarified where deemed necessary.

The Respondent contracts with each of the owner-operators for transportation by the latter of freight, cargo and merchandise entrusted by the Respondent to the owner-operator under a standard written agreement with uniform terms and conditions. The rate schedule in this agreement was last revised on October 1, 1966. In summary, the agreement provides:

(1) The owner-operator agrees to pick up, transport and deliver freight or cargo when, where and as requested by the Respondent.

(2) The remuneration provided in the schedule is essentially on a poundage basis for local pick-up and delivery. There is also provision for remuneration on a mileage basis, combination of mileage and poundage basis or flat fee depending upon whether the work involved is out-of-town pick-up or delivery, spotting trailers or hauling switch tractors to meet line-haul tractors.

(3) The owner-operator is required to provide the truck equipment and maintain it in good working order.

(4) The equipment is to be registered in the name of the Respondent, who will take out and keep insurance as provided in the schedule or otherwise but the owner-operator is required to pay such rate as may be allocated from time to time by the Respondent. The owner-operator also agrees to indemnify the Respondent for any claims not included in, or in excess of, the foregoing insurance, and, with respect to cargo, all claims arising with respect to the carriage thereof not paid by insurance are payable by the owner-operator unless the damage upon which the claim is based was not caused or contributed to by the negligence of the owner-operator, his agents or employees.

(5) The owner-operator is required to turn over immediately upon receipt all money, etc., received by him in connection with freight or cargo handled for the Respondent and acknowledges that such funds are received in trust for the Respondent.

(6) The owner-operator is to abide by all applicable laws, rules and regulations (in the area where he is operating) relating to use or operation of the equipment, but otherwise is to have exclusive control of operating the equipment.

(7) The owner-operator is responsible for Workmen's Compensation, Unemployment Insurance and any tax or encumbrance on the equipment.

(8) The owner-operator is not permitted to undertake any work for any other person for remuneration during the currency of the agreement with the equipment furnished thereunder.

(9) The agreement may be terminated upon thirty days' written notice by either party, but the Respondent may terminate it immediately if any illegal operation or business is carried on, if the equipment becomes unserviceable or if

the owner-operator fails to perform all the covenants contained in the agreement. If the agreement is terminated by either party, the Respondent undertakes to deliver a motor vehicle transfer to the owner-operator so that he may become registered owner.

(10) The owner-operator is required to maintain a credit balance with the Respondent to ensure payment of any money owing to it.

(11) The intent of the agreement is stated to be that the relationship of the owner-operator to the Respondent is that of an independent contractor and the Respondent makes no commitment as to the amount of business or remuneration to be received by the owner-operator. It is also stated not to constitute the owner-operator as agent for, or employee of, the Respondent.

(12) The owner-operator is not permitted to assign the agreement without the prior consent of the Respondent.

As set out above, the owner-operators are obligated to handle all pick-up and delivery work allotted to them by the Respondent and cannot undertake any other commercial work with the equipment but, during the currency of their engagement, they are not guaranteed any specific volume or minimum amount of work. For operating purposes the city of Vancouver is divided basically into zones and each of the nine owner-operators is responsible for a particular zone. This, however, is not inflexible and in the event of there being more business in a particular zone, the Respondent might find it necessary to send an additional vehicle into this zone.

In peak periods, when there is too much work for the owner-operators to handle, the Respondent employs independent cartage firms or operators to help out, but these do not work exclusively for the Respondent and the Respondent's work might have to wait its turn for other commitments of the cartage operator and is, therefore, regarded as not as efficient an operation from the Respondent's point of view. According to the evidence, in carrying out these pick-up and delivery functions there are no written rules and regulations other than set out in the agreement for the owner-operators, although these are provided for those persons working for the Respondent who are paid on a wage or salary basis. Freight and cargo, however, are loaded on the vehicle at the Respondent's warehouse so they can be unloaded in sequence to provide for the most economical method of delivery, which is the normal method in an operation of this type whether the operators of the vehicles are paid on a wage or salary basis or not and governs generally the route to be taken in making deliveries. Prior to leaving with a load for delivery, the owner-operator receives a delivery manifest from the Respondent setting out the deliveries to be made on the trip and, where a pick-up is to be made, he will bring back a bill of lading covering such pick-up. In other words, the Respondent's city despatcher controls the inflow and outflow of freight from the warehouse although the owner-operators may themselves generate pick-up business and it is to their advantage to do so.

In comparison with operations in Calgary, where pick-up and delivery operators do not own their own vehicles and are paid by the Respondent on a wage or salary basis, the functions of pick-up and delivery men are basically the same as in Vancouver, although the Calgary operator would be subject to more detailed supervision because in cases of damage to freight the amount of such damage is not payable by him and, also, he may be required to perform other duties. The P. and D. leased vehicles are required to be left at the ware-



house premises overnight. They may, when not in use, be removed from the premises for servicing or maintenance work and it was stated there have been occasions when they have been removed for personal use by the owner. As provided in the agreement, however, they cannot be used for commercial purposes for other than the Respondent.

The Respondent's health and welfare and pension plans are compulsory for workers paid on a wage or salary basis, but the former are optional for owner-operators, some of whom participate. They are not, however, eligible for the pension plan. Similarly, the former can be disciplined by probation or suspension. Although an owner-operator is not subject to such disciplinary action, if something is not in keeping with good operations the Respondent has the right to terminate the agreement.

In determining whether there is a master and servant or independent contractor relationship, there are, as the courts have pointed out, numerous decisions. In essence, the elements to be considered are set out in Montreal v. Montreal Locomotive Works (1947) 1 D.L.R. 161 and McDonald et al v. Associated Fuels Ltd. et al (1954) 3 D.L.R. 775, both of which have been referred to in previous decisions of the Board. In the former case Lord Wright, in delivering the judgment of the Privy Council, at page 169, after setting forth a four-fold test for use in some cases, namely: (1) control; (2) ownership of tools; (3) chance of profit, and (4) risk of loss, went on to say:

In many cases the question can only be settled by examining the whole of the various elements which constitute the relationship between the parties. In this way it is in some cases possible to decide the issue by raising as the crucial question whose business is it, or in other words by asking whether the party is carrying on the business, in the sense of carrying it on for himself or on his own behalf and not merely for a superior.

In the latter case, Macfarlane, J., of the British Columbia Supreme Court, at page 777, stated:

McCardie J. in Performing Right Soc. v. Mitchell & Booker (Palais de Danse) Ltd. (1924), 93 L.J.K.B. 306 at p. 308 gathers together numerous authorities with regard to the tests to be applied in deciding whether a man is a servant or an independent contractor. He summarizes them thus: 'It seems, however, reasonably clear that the final test, if there be a final test, and certainly the test to be generally applied, lies in the nature and degree of detailed control over the person alleged to be a servant. This circumstance is of course one only of several to be considered, but it is usually of vital importance'.

As I have said, so McCardie J. says, the decisions are numerous and he says not always easy to follow. At least they are not always easy to apply to the particular situation. There are many elements to be considered of which some are as follows: the nature of the task undertaken, the freedom of action allowed, the retention of the right to prescribe the exact work and of the power or right to direct the particular work to be done; the fact that the person in question devotes or may be bound to devote either the whole of his time to the work directed or so much thereof as the person directing the work shall require as and when the person receiving directions

shall be given such directions. All these are but some of the features to be taken into consideration in deciding whether a person is a servant or an independent contractor.

In applying the tests to determine the nature of the relationship it is not conclusive that the agreement provides that its intent is "that the relationship of the trucker to Midland Superior shall be that of an independent contractor" and that it "shall not constitute the trucker as.... employee of Midland Superior" but rather regard must be had to all the facts. While it is unnecessary to enumerate them, it is apparent that many of the foregoing tests, including a substantial degree of direction and control by the Respondent over the work to be performed by the owner-operators, are present in the arrangements between the Respondent and the owner-operators, and it must be concluded that these arrangements establish an employer-employee relationship between them. The Board accordingly finds that the owner-operators are employees of the Respondent within the meaning of, and for the purpose of, the Industrial Relations and Disputes Investigation Act.

While in the submission of counsel for the Respondent reference was made to the statement of Mr. Justice Riley of the Supreme Court of Alberta in refusing an application for certiorari by the Respondent arising out of a previous decision of this Board involving the Applicant and Respondent wherein he stated that he "would think that in law the employees in question were not those of the applicant (Respondent herein)", it should be noted that the previous decision of the Board related to a different situation, namely, the status of line-haul drivers, and also that the statement of the learned judge was obiter dicta. Although the Board was informed that this decision is under appeal, the Board was of the opinion, with respect, that its decision should not be delayed pending the outcome of the appeal.

With respect to the warehousemen or dock workers, counsel for the Respondent questioned the appropriateness of a unit comprising them and independent contractors or a unit of them alone, but submitted in the latter case the appropriate unit would be that type of employee of the Respondent right across the country. The warehousemen help to load and unload the trucks and, in the light of the Board's decision with respect to owner-operators, there is nothing to suggest that an appropriate bargaining unit should not comprise these two groups. In view of the nature of the operation, a unit relating to the Vancouver operation rather than a system-wide unit is appropriate.

The Board finds that a unit of employees of the Respondent classified on the payroll list as warehouseman and P. and D. leased operator at the Vancouver terminal of the Respondent constitute an appropriate unit for collective bargaining. The application of the Applicant for certification as bargaining agent for this unit is granted.

Dated at Ottawa, May 10, 1967.

(Sgd.) J.J. Quinlan,  
Vice-Chairman and Acting  
Chairman, for the Board

J.P. Nelligan, Esq., for the Applicant  
G.B. Whitelock, Esq.,

J.W.G. MacDougall, Esq., Q.C., for the Respondent  
J.D. Brechin, Esq.,







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No. 4, 1967

# CONCILIATION BOARD REPORTS together with CLRB REASONS FOR JUDGMENT

Conciliation Board Report in dispute between

Atomic Energy of Canada Limited and International Association of Machinists  
and Aerospace Workers

Reasons for Judgment in application affecting

Syndicat général du cinéma et de la télévision (CSN) (Applicant) and Canadian  
Broadcasting Corporation (Respondent) and American Newspaper Guild,  
Canadian Union of Public Employees and Association of Radio and Television  
Employees of Canada (Intervenors)

A LABOUR GAZETTE SUPPLEMENT

CANADA DEPARTMENT OF LABOUR

Hon. John R. Nicholson, Minister

George V. Haythorne, Deputy Minister





## CONCILIATION BOARD REPORTS

Report of Board of Conciliation and Investigation established to deal with dispute between

Atomic Energy of Canada Limited  
and  
International Association of Machinists and Aerospace Workers, Lodge 608

The Board of Conciliation and Investigation established to deal with a dispute between Atomic Energy of Canada Limited, and the International Association of Machinists and Aerospace Workers, Lodge 608, was under the chairmanship of Roy A. Gallagher, Q.C., of Winnipeg. He was appointed by the Minister of Labour in the absence of a joint recommendation from the other two members of the Board, E.A. Smith and D. Proctor, both of Winnipeg, who were previously appointed on the nomination of the union and company, respectively. The report of the Chairman and Mr. Smith constitutes the report of the Board. A minority report was made by Mr. Proctor.

The reports were received by the Minister of Labour in June.

The Board held meetings at Winnipeg, Man., on May 24 and 25, 1967. At these meetings the parties were represented as follows:

For the employer: R.M. Smith, W.A. Correll, G.P. Maxwell, G.R. Nayler, E.A. McDonald; for the union: R.T. Biggar, S.J. Carter, R.G. Queau, P. Roy, R. Willacy.

Both parties presented briefs to the Board. Extensive discussions were held by the Board with the parties, both separately and collectively.

Unfortunately, agreement could not be reached between the said parties. This Board must therefore submit this report, containing its findings and recommendations.

The Board submits this report with a spirit of optimism, and in the firm belief that its recommendations can, and should, form the basis for resolving the disputes between the parties.

The Board is strengthened in this optimism by the excellent spirit of understanding and respect that was exhibited by one party for the other during the Board's sittings. This is not to say that the parties did not have divergent views, nor that they were hesitant in expressing their disagreements candidly. But the climate of the meetings indicated that each side accepted the other as sincere in its views, and with the ability to accept the concept that negotiations in these areas are a matter of compromise. While agreement could not be attained, it is our belief that a realistic report by this Board will appeal to, and be acceptable to, both parties.

Atomic Energy of Canada Limited is a federal Crown company engaged in the research and development of applications of atomic energy. Its head office is in Ottawa, and plants are located at Chalk River, Ottawa, Toronto, Pinawa and Montreal.

Chalk River and Pinawa are, in a sense, comparable plants. Although Chalk River has been in operation since 1945 and employs 2,400 persons, Pinawa is a relatively new plant (set up in 1963) with a present employment of about 600.

The employees concerned in this matter are approx-

imately 100 in number. Most of them are in the categories of tradesmen and skilled classifications. They are, however, an integral part of the operation of this plant, and as essential to the over-all operation of same as any other employees. It is true that these employees can possibly be more easily replaced than certain of the professional staff employed at the plant, but this does not detract from the point that the classifications they fill are essential to the over-all success of the operation.

The Company has a history of collective bargaining with the same types or classifications of employees (as represented by the union herein) at Chalk River since 1952. The history of collective bargaining at Pinawa is of very recent origin.

Also, as is easily appreciated, the number of employees in the various bargaining units at Chalk River is much greater than at Pinawa as the size of the work force makes obvious. In fact, the bargaining agents in Chalk River represent approximately five persons for every one at Pinawa. This point in itself would mean little except for two significant factors.

Firstly, at Chalk River, there are 11 unions representing employees in the particular area under discussion. At Pinawa there are only four. Secondly, the 11 unions at Chalk River bargain collectively under one single collective agreement. The other five unions (four at Pinawa, one at Ottawa) bargain individually and enter into five collective agreements. Thus, the company has six collective bargaining agreements. Significantly, the termination date in all of the last agreements between the parties had a common date of March 31, 1967.

The six unions involved served the employer with notices for amendments in January, 1967 in accordance with the provisions of the several agreements. Apparently, several of these unions (and in particular the union which is a party hereto) desired that negotiations start as quickly as possible with a view to concluding an agreement before March 31, 1967.

It would appear that the employer endeavoured to negotiate at an early date with these unions, but, faced with a number of varying or different requests the matter was of a

complex nature.

The union herein suggests that there were no true negotiations by the employer, and, that what in fact took place, was that the employer devoted its main energies to resolving the problems with the 11 unions at Chalk River and then presented the settlement arrived at there as a "fait accompli" to the union involved herein.

While this Board has no desire to be critical of either party, it must be said that there appears to be some validity to the union's contention. This Board feels that it is only logical that a bargaining unit of a thousand or more persons will likely merit more attention and action than a unit of 190, and, generally speaking, there is nothing wrong with such an approach.

But in this case the union, which is a party to these proceedings, is the certified bargaining agent of certain employees at Pinawa. There is no qualification in such certification, and no suggestion can be made that the union at Pinawa is subservient to the unions located at Chalk River. Although the company might desire "national" negotiating, and although such a procedure might be reasonable under all the circumstances, this Board must view the situation as it

exists, and concern itself only with the problems as they exist between this employer and this union.

Shortly after negotiations had commenced, and before any proposals had been made by the employer, the union requested the assistance of a conciliation officer. An officer was appointed. This officer attended the further negotiating meetings between the parties, and when the problems at Chalk River had been resolved the employer made a comprehensive "package" offer to the union.

Many of the matters contained in this comprehensive offer were acceptable to the union -- acceptable in the sense that the union felt that there were many other matters that had to be dealt with, but it was not opposed to the points contained in the offer if these other matters were resolved.

This Board has no hesitation in stating that most of the matters covered in the said offer are equitable as between the parties. The other matters of controversy will be dealt with at a later stage in this report, but at this point the Board sets out hereunder the matters in said offer that should be part of a settlement between the parties, in reaching a revised collective working agreement.

## 1. WAGES

The Board recommends wage increase as follows:

	First Year		Second Year	
	Tradesman	Lead Hand	Tradesman	Lead Hand
New Wage Group No. 1 per Employer's classification	3.54	3.83	3.74	4.04
Wage Group No. 2	3.37 per hr.	3.64 per hr.	3.57 per hr.	3.85 per hr.
Wage Group No. 3	3.21 per hr.	3.46 per hr.	3.39 per hr.	3.65 per hr.
Wage Group No. 4	3.05 per hr.	3.29 per hr.	3.22 per hr.	3.48 per hr.
Wage Group No. 5	2.93 per hr.	3.16 per hr.	3.10 per hr.	3.35 per hr.
Wage Group No. 6	2.75 per hr.	2.97 per hr.	2.91 per hr.	3.14 per hr.
Wage Group No. 7	2.59 per hr.	2.79 per hr.	2.74 per hr.	2.96 per hr.
Wage Group No. 8	2.43 per hr.	2.62 per hr.	2.58 per hr.	2.78 per hr.
Wage Group No. 9	2.26 per hr.	2.44 per hr.	2.40 per hr.	2.59 per hr.
Wage Group No. 10	2.13 per hr.	2.30 per hr.	2.27 per hr.	2.45 per hr.

## 2. HOURS OF WORK

Article 16.01 of the current collective agreement to be amended by adding the following sentence: "Nothing in this Article is to be construed as a guarantee of work."

## 3. OVERTIME WORK

(a) Employee will be paid to the nearest quarter hour for overtime worked;

(b) Employee will be paid double time on second day of rest if he has worked a full day on first day of rest.

## 4. WELFARE PLANS

(a) Employer will pay 50 per cent of the cost of life insurance equal to annual earnings;

(b) Employer will provide \$500 paid-up death benefit insurance for all retiring employees.

(c) Under the Sickness and Accident Indemnity Plan, the weekly benefit scale to be changed to:

## Employees Rate of Wage

## Weekly Benefit

up to \$2.00 an hour	\$45
2.01 to 2.50	55
2.51 to 3.00	65
3.01 to 3.50	75
over 3.50	85

## 5. SUNDAY PREMIUM

To be changed to .40¢ an hour for scheduled Sunday work.

## 6. VACATIONS

Three weeks after seven years employment with the employer.

Employer to provide 75 per cent reimbursement of cost of job related courses for apprentices.

Employee to receive a second meal for full shift overtime work.



Five-day carry-over to vacation from one fiscal year to another to be allowed upon request.

Article 15.02 of the current collective agreement to be amended, to provide that an employee will receive Statutory holiday pay if he has worked or has been paid at any time in the 16 days previous to the holiday, or has returned to work on the holiday or the day after such holiday.

## 7. PROGRESSION FOR STORES PERSONNEL

(a) The following will apply to employees hired in the future:

- First 6 months - Group 10
- Second 6 months - Group 9
- After one year - Group 8

(b) Personnel hired will not necessarily start in Group 10, but may be placed in a higher grouping dependent upon education and pertinent experience at the discretion of management.

Personnel will be promoted automatically to Group 8, subject to satisfactory performance. Promotion to leading storeman will depend upon qualifications and the requirements for a storeman with advanced experience and qualifications.

While there were many other items of controversy, after much discussion and analysis the issues between the parties "boiled down" to six in number, the classification of which is as follows:

Seniority, union security, medicare, payment for the first three days of any illness, retroactivity, provision re Daylight Saving Time.

To deal now with these points.

### Seniority

At the moment the Employer has absolute discretion as to the person who will be promoted to a lead hand classification. Seniority only becomes decisive where skill, experience and capacity are equal and the employer has the sole discretion to decide these issues. The employer insists that this is a management prerogative that should not be interfered with; that it is essential in the best interests of the company that management be allowed to exercise this discretion since such a promotion is not made with the short term view of filling that vacancy only; and lastly, that the employee concerned has a right to lodge a grievance if he feels he has been unjustly dealt with.

The union, on the other hand, suggests that this provision has been used to by-pass employees with seniority; that management cannot determine if an employee will make a suitable lead hand until they give him the chance to show his abilities; and, that to speak of grievances when management has an absolute discretion is meaningless.

Surprisingly, in discussion, the union's position became, simply, that it wished to have the right to discuss the matter of a promotion with management before any final decision was made.

More surprising, however, was management's reaction to such suggestion. One almost got the impression that, if such a procedure was agreed upon, management would, in effect, have given the keys to the enterprise to the union and abdicated its corporate responsibilities.

Surely this indicates naiveness in a field that is so important to both of the partners. Management, rightly, must control the operation of its business, but in an area that is

of fundamental importance to the person who can only sell his labour and his abilities, and who does not have the power to control his own destiny, what harm can come of a continuing dialogue?

The union's proposal, put plainly, would have meant that before management took the final step of making its decision, the union (as the representative of all members of the bargaining unit) would have the opportunity of submitting to management its reasons why a certain person should or should not be promoted. This is the extent of the proposal.

From management's point of view, what can be so objectionable? If management is endeavouring to select the best person and has worked to that end, then obviously, it can justify its decision no matter what representations are made by the union. On the other hand, if management has overlooked some factor in an employee's favour, or has made an error in its deliberations, then the opportunity to revise its views should be welcomed.

This Board sees no danger in the suggestion of the union as finally put to this Board and recommends as follows:

1. In Article 12.03(a) and 12.03(b) of the current collective agreement delete the words "three years" wherever they appear and substitute the words "two years".

2. After Article 12.01 add new clauses reading as follows:

"12.01(A)(a) -- Before the company fills any vacancy for a permanent lead hand in any of the classifications covered by this agreement, it shall post on a bulletin board a notice describing the vacancy that can be seen by all employees in the bargaining unit for a period of at least five days.

12.01(A)(b) -- Employees on the seniority list of the classification concerned with such vacancy may apply to the company to fill such vacancy. The employee who has made application, or the union, shall have the right to discuss with, and make representations to, the executive officers of the company at Pinawa prior to the company making any decision as to the person to fill such vacancy. Such discussion or representation shall be unlimited in the sense that the same may be in support of, or in opposition to, any employee's application for such vacancy."

### Union Security

The union proposed a Union Shop in that all employees who were not members of the union would become such within 30 days of the signing of the agreement, and all new employees would become members of the union as a condition of employment.

The employer countered by offering a modified Rand Formula; that is, compulsory check-off of dues for all employees now paying dues and all new employees.

The present provision is a voluntary check-off revocable at the end of the agreement.

This whole issue involves at most one or two employees. Apparently the employer does not wish to compel any employee to join, or remain, a member of the union.

Without engaging in a discussion to support one position or the other -- which discussion could be somewhat lengthy and involved -- it is the opinion of this Board, and it so recommends, that the Rand Formula be made part of the collective agreement, limited to union dues and special assessments only and not to cover initiation fees.

## Medicare

At present the employer pays one-half of the cost of a plan called Manitoba Medical Service. This plan is a privately operated one, and it is clear that within the next year a plan will be instituted by the government of the province of Manitoba that will be compulsory and will provide coverage along the same general lines as the above plan.

The union proposes that the employer's contribution (which at the present time is not based on fixed dollars but rather on percentages) be translated into fixed dollars and when the government-sponsored plan is introduced that any excess of dollars over the cost of such new plan should be used to obtain additional or further welfare benefits for the employee.

The employer suggests that to follow the union's proposal would be to change the whole principle on which contributions are now made. The employer points out that at present it has no commitment in terms of dollars as such, but rather a commitment in terms of percentages that can vary as the cost of the plan varies, and the employer stands to gain or lose depending on the experience of the plan.

On the other hand, the union, too, has a submission of much force. It has bargained and obtained a benefit based on current prices or values. It is not the union's fault any more than the employer's that the government is going to occupy this field and likely reduce coverages, and optimistically, costs.

Surely harmony will be served at no additional expense to the employer, if it is provided that the company's present contributions to the M.M.S. Plan in terms of dollars for both single men and married men on the basis of the HCX Plan shall be determined, and continued in effect as at present until such time as a government-sponsored plan is introduced, and any excess in dollars left after the company has paid 50 per cent of the cost of such government plan shall be used to provide additional medical or other welfare benefits as the parties shall agree upon, and failing agreement shall be used to provide additional coverages in the field of medical and hospital services. This Board so recommends.

## Payment for the First Three Days of Any Illness

At present, under the Sickness and Accident Indemnity Plan, the employee is given 26 weeks of coverage in the event of accident or illness. There is a three-day waiting period before benefits commence, but if the illness lasts for more than 20 days the three days are paid for.

The union wishes to obtain some form of sick leave or some other provision that would ensure employees being paid for the first three days.

The plan is paid for to the extent of 75 per cent by the employer. It is an excellent plan. It compares very favourably with those available in industry generally, and this Board is of the view that the union's request is not warranted at this time.

## Retroactivity

The union's position was, simply, that retroactivity -- particularly in relation to the matter of wages -- should be automatic and that it would be impossible to have the members of the union agree upon a new contract unless such retroactivity was included.

The employer before this Board proposed initially fixed sums in lieu of retroactive pay. These sums were approximately 40 per cent to 50 per cent of the actual amount that an employee would receive if the contract was retroactive to April 1, 1967.

Apparently the employer is concerned that if retroactivity is granted this will result in other unions, with which it bargains, resorting to the conciliation officer and conciliation board procedure.

In the opinion of this Board, this fear is, firstly, not well founded, and secondly, if well founded is not a justification for refusing a retroactive effect.

This Board is of the opinion that both parties are responsible and reasonable and approach the bargaining table with an earnest desire to resolve the issues between them. Certainly, there will be misunderstandings -- even feelings that the other side is not being fully open and frank, as there was this year when this union felt it was being given an offer that had been resolved by others -- but both parties have to operate in the context that a conciliation officer or board may find little merit in their requests and come to know that the resolution of these mutual problems without the intervention of uninformed (albeit sincere) outsiders may be the more preferable solution. This Board feels that an excellent climate prevails between the parties, in light of their very recent relationship, and that as time passes this respect and understanding will increase, and that what appear to be great problems today will be easily solved by them tomorrow without resort to these other procedures.

This Board therefore recommends a two-year contract effective so far as wages, overtime, and vacations are concerned, from April 1, 1967 and terminating March 31, 1969.

Matters such as Sunday premium pay, meals, etc., to be effective on and after the agreement is signed.

## Provision re Daylight Saving Time

In frankness, this Board feels that this matter is a problem that the parties can, and should, resolve themselves and the Board makes no recommendation thereon.

This Board reserves to itself the right to interpret, clarify or amplify any part of this report in order to ensure that its intention is carried out fully and effectively.

Signed at Winnipeg, Man., this 16th day of June, 1967.

(Sgd.) R. A. Gallagher,  
Chairman.  
(Sgd.) E. A. Smith,  
Member.

## MINORITY REPORT

After reading the report of the Chairman and the union nominee, I find myself unable to agree with all the observations and recommendations contained therein.

Although I, in general, agree with the preliminary remarks of the Chairman in the majority report, there is one sentence on page four on which I would like to comment, namely:

"While the Company might desire 'national' negotiating, and while such a procedure might be



reasonable under all circumstances, this board must take the situation as it exists and concern itself only with the problems as they exist between this employee and this Union."

This, in my opinion, is too narrow and parochial a view and has led the majority of the Board to make some recommendations that are wrong, both in principle and logic. The above quotation may be technically right from a purely legal standpoint, but is both unrealistic and impractical in the field of labour relations.

This is particularly so in regard to what are referred to in collective bargaining agreements as welfare plans. The company, being a national organization, must of necessity from an economic and administrative viewpoint have these plans, subject to applicable provincial legislation, as uniform as possible.

If the view expressed by the majority of the Board was carried to its logical conclusion it would be quite possible for the company to have 16 different and distinct welfare plans in existence. This would not only be costly, but in the event of transfers of employees between plants, and dual union membership, would lead to utter confusion and chaos.

It would appear from the report of A.E. Koppel, an able and experienced conciliation officer, to the director, that the only points in issue were:

Seniority, improvements in sick benefits, sick leave.

When appearing before the Board, the union claimed 16 points were in issue plus confirmation of points agreed upon at negotiations. It would appear from what was said before the Board that a number of the 16 items listed by the union had been agreed upon during negotiations and should not have been before the Board. This is also borne out by the minutes of the negotiating meetings held between the company and the union filed by the company, with the consent of the union.

In my opinion the strategy adopted by the union was an abuse of the negotiation process and the function of the Conciliation Board.

I am in agreement with the other members of the Board in that part of their report in which they set out the matters in the company's offer that would be part of the settlement between the parties.

I disagree, however, on the following recommendations:

#### 1. Seniority

During the meetings with the Board, the company offered to amend the seniority provisions as follows:

(a) Before the company fills a vacancy for a permanent lead hand for classifications covered by the agreement, a notice describing the vacancy will be posted on the bulletin board that can be seen by those concerned for a period of five days. Employees on the seniority list of the classification concerned may apply to their personnel officer for such a vacancy. Those whose applications are not successful will have an opportunity to discuss their application with their supervision at their request, prior to the decision being made public.

(b) In Clause 12.03 (a) and (b) replace the words "three years" with "two years" in all cases.

This, to my mind, was a reasonable and common sense compromise and gained for the union all they were seeking.

To include in the company's proposal provisions as to the right of the employee who has made the application, or the union, to discuss or make representations to the execu-

tive officers would imply that the right had not heretofore existed or is not enjoyed by the other union at Pinawa. This simply is not true. The union is charged with the administration of the agreement and is free to discuss or make representations concerning the application of the agreement as it chooses. The inclusion of this right is redundant and I would recommend the adoption of the company proposal.

#### 2. Union Security

It was my feeling during the hearings before the Board that the union was being adamant on this particular issue solely because of one employee. This, to my mind, is contrary to the principles of good collective bargaining.

I understand that the one or two employees concerned, who were not members of the union, have now become members and the Rand Formula would serve no useful purpose. All other agreements that the company has with the various unions contain a modified Rand Formula and for the sake of uniformity and harmonious relations between the company and the other unions I would recommend such a formula here.

#### 3. Medicare

I would refer here to number 17 of the points before this board referred to in the union's brief, namely: "Confirmation of points agreed upon at negotiations".

According to the minutes, hereinbefore referred to, the following clause had been agreed to:

"It is agreed that when Medicare becomes compulsory the parties will meet in an effort to provide no less coverage with the costs being shared on the same basis".

In my view this matter should not have been considered by the Board as a point in issue and it should have only confirmed the agreement already arrived at.

#### 4. Payment for the First Three Days of Illness

#### 5. Provision re Daylight Saving Time

I am in agreement with the report of the majority of the Board on the above two issues.

#### 6. Retroactivity

I do not agree that retroactivity in the matter of wages should be automatic. If this were the case, there would be no incentive for early settlements, but a tendency to extend the negotiations through all the processes in the hope of gaining some additional concession along the way. Retroactivity must remain a negotiable item.

I am in agreement with the recommendation as regards the payment of retroactive wages at straight time and for vacations, but disagree with the inclusion of retroactivity for overtime payment.

All of which is respectfully submitted.

(Sgd.) D. Proctor,  
Member.

# CANADA LABOUR RELATIONS BOARD

## Reasons for Judgment in Application for Certification Affecting

Syndicat général du cinéma et de la télévision (CSN)	Applicant
and	
Canadian Broadcasting Corporation	Respondent
and	
Local 213, American Newspaper Guild	Intervener No. 1
and	
Canadian Union of Public Employees	Intervener No. 2
and	
Association of Radio and Television Employees of Canada	Intervener No. 3

The Board consisted of A.H. Brown, Chairman, and A.H. Balch, E.R. Complin, J.A. D'Aoust, Jacques Guilbault, A.J. Hills and Donald MacDonald, members.

The Judgment of the Board was delivered by the Chairman.

The Applicant, a trade union affiliated with the Confederation of National Trade Unions, applies to be certified as bargaining agent for a unit of employees of the Respondent consisting of the employees in the news broadcast service of the Respondent within its Quebec administrative division who are represented now by Intervener No. 1 as bargaining agent. The classifications of employees in this proposed unit are as follows:

Editor A, editor B, editor C, editor national assignment, editor camera, reporter A, reporter B, and copy clerk D in the news broadcast service of the Respondent, excluding the immediate supervisors of these employees classified as producer-staff, supervising editor, and editor-in-charge.

Intervener No. 1 is the certified bargaining agent for a system-wide unit of employees of the Respondent comprising all employees of the Respondent in its news broadcast service engaged in the collection and preparation of news for broadcast purposes, but excluding specified classifications of employees exercising management functions. Intervener No. 1, which is the Canadian division of the American Newspaper Guild, an international union, has been a party to successive collective agreements with the Respondent covering said employees, first entered into following certifications granted in 1952 and 1953 by this Board. The existing collective agreement between Intervener No. 1 and the Respondent runs for a term effective from June 1, 1966 to May 31, 1968. As it was signed by the parties thereto on January 17, 1967, a date subsequent to the date of the making of the present application, it is not a bar to the making of the present application for certification. Nevertheless, before this collective agreement was signed the terms of settlement negotiated between the parties thereto and embodied in the agreement were ratified by a majority vote of the employees covered thereby, including a substantial majority of the employees in the news broadcast service of the Respondent in the Quebec administrative division.

Intervener No. 1 opposes the application. It submits that the proposed unit is not an appropriate unit for collective bargaining as the employees therein are part of a long-established system-wide unit that has been found to be appropriate for collective bargaining by the Board; that this system-wide unit serves the best interests of the employees in the news broadcast service and that the fragmentation of

this unit as now proposed by the Applicant would be detrimental to the best interests of the employees in this service and to the most efficient operation of the news broadcast service and to orderly and stable collective bargaining, and thus, contrary to the public interest. Intervener No. 3, which is the bargaining agent for another system-wide unit of employees of the Respondent employed in its broadcast operations, and Intervener No. 2, which claims to have a continuing interest in the maintenance of the system-wide bargaining for employees of the Respondent, support the contentions of Intervener No. 1 summarized above.

The Applicant in reply thereto submits that the wishes of the employees in the proposed unit to be separately represented for collective bargaining are clearly evidenced by the application and evidence of membership furnished in support thereof and should be respected and that, although the system-wide unit of employees may have been appropriate and acceptable when first established as conducive to the promotion and maintenance of orderly and stable collective bargaining relationships and industrial peace, conditions have now changed and the maintenance of a system-wide unit in this field of operations is no longer conducive to stability or harmony in industrial relations in the Respondent's establishment.

The Respondent in its reply queries the appropriateness of the proposed unit for collective bargaining as this unit represents only a part of an already established system-wide bargaining unit comprising the same classifications of employees. It draws attention to the principles enunciated and consistently applied by this Board in its decisions to the effect that there must be persuasive and compelling grounds established to warrant the fragmentation of an established system-wide bargaining unit of employees by the subdivision of such unit into separate units of employees who are engaged in the same type of work requiring the exercise of common skills.

At the date of the application there were 65 employees in the Applicant's proposed unit comprising 58 employees in Montreal and 7 employees in Quebec City, of whom 45 were members in good standing of the Applicant. On the same date, 42 of the 65 employees in the proposed unit were also members of Intervener No. 1. At that date there were 226 employees in the same classifications in the system-wide



news broadcast service unit of employees represented by Intervener No. 1 as bargaining agent, including the 65 employees in Montreal and Quebec City.

The Respondent has established four major administrative and operational divisions in its broadcast system, namely the Quebec Division, the Ontario Division and the Regional Division (which in fact comprises three separate regional divisions, namely the Maritime region, the Prairie region and the Pacific region) and the International Services division. The Director of each division is responsible for the administration and programming of all stations within his division, including both French language and English language stations. At present the Respondent has French language T.V. stations at Moncton, Quebec City, Montreal, Toronto, Ottawa and Winnipeg. The Respondent provides French language programs for a network of T.V. broadcasting stations consisting of all its own French language stations and a number of privately owned stations. This network is designated by the Respondent as the CBC French network. The Respondent also provides programs for a network of English language T.V. stations comprising all its own English language stations and a number of privately owned stations. This network is designated by the Respondent as the CBC English network.

The CBC French network is supplied primarily with programs produced by or originating from its Montreal studios and Montreal newsroom service. The CBC English network is supplied primarily with programs produced by or originating from its Toronto studios and Toronto newsroom service.

The International Service division provides programs for international broadcasts. It has its headquarters in Montreal. The bulk of its programs are produced in the Montreal studios and the balance in the Toronto studios. The staff of this division works closely with the Respondent's Montreal and Toronto newsrooms in the matter of securing news as material for use in its programs.

The news broadcast service of the Respondent gathers, edits and provides both the local, regional and national news for its English and French network stations for both television and radio. The Montreal French newsroom is the major newsroom for the assembly, selection and editing of national news for the French network. It also gathers and collates, selects and edits the regional news for the Quebec region stations and the local news for the Montreal French language stations. This applies to both television and radio stations. The Respondent has appointed domestic correspondents also for the French network in the Respondent's newsrooms at Montreal, Quebec City, Ottawa, Toronto, Winnipeg and Vancouver whose primary assignment is to serve the needs of the CBC French network national news and who are in daily contact with the Montreal French newsroom. These persons double also as local station newsmen.

The Toronto English newsroom is the major newsroom for the collation, selection and editing of the national news for the CBC English network and for the assembly, selection and editing of the regional news for the English network for the Ontario region and of the local news for the Toronto local English language stations for both television and radio. There are also domestic correspondents attached to the Respondent's English newsroom across its system to service the national news requirements of the English network who double also as local station newsmen. These correspondents are in daily touch with the Toronto newsroom.

The Montreal and Toronto newsrooms work closely

together in order to service both networks and to ensure that both these newsroom centres will be kept closely in touch with all news that may be of interest to the other network at either national or regional level and in the exchange of news films of similar interest. There are daily exchanges of news also at all CBC newsrooms across the system where there are newsmen servicing the French network and newsmen servicing the English network. Interchanges of news coverage assignments between English network and French network newsmen are also common at these newsrooms as the daily load of work requires and as exigencies dictate. There is provision made at these newsrooms to minimize duplication of news assignments as between such newsmen. The use of the terms 'French newsroom' and 'English newsroom' in the evidence does not denote a physical segregation of news staff as the news department staff, whether serving the French or English language television and radio networks, occupy and work out of the same newsroom accommodation at most newsroom centres.

Where a local correspondent for one of the two networks is moved from the newsroom centre out of which he is working, he will be replaced by another local newsman at that centre. A newsman in the newsroom at one centre may be transferred to another centre serving the same network either within the same administrative division or in another administrative division. For example, a newsman at a CBC station in the French network in the Quebec division may be transferred to a CBC station in another division to service the French network if he has a knowledge of both languages and there may be similar transfers from another division to the Quebec division although the number of transfers is not large. There may also be transfers from a CBC station in the English network in the Quebec division to a CBC station in the English network in another division and vice versa. There may be transfers from the English network to the French network service or vice versa, but such transfers are infrequent. Under the terms of the existing collective agreement covering newsroom employees, a newsman is not required to accept a transfer to another point against his own wishes.

After careful consideration of the evidence and arguments advanced, the Board concludes that convincing grounds have not been established to warrant in the circumstances the segregation of employees in the Respondent's news broadcast service within the Quebec administrative division as an appropriate or viable separate unit for collective bargaining purposes. The Board is of opinion that the existing and well-established, system-wide bargaining unit of employees in the news broadcast service is the most appropriate and viable unit for collective bargaining.

In reaching this conclusion, the Board has taken into consideration inter alia that

(1) Apart from language requirements, the nature of the work and the qualifications and capabilities required of employees in the same classifications in the news broadcast service of the Respondent are indistinguishable regardless of whether working on news for broadcast on the French network or the English network. The efficient and economical operation of the news broadcast service obviously necessitates the closest co-ordination of assignments and activities and exchange of news material among those employed in the coverage, assembly, selection and editing of news for broadcast purposes regardless of whether the news product is to be used for broadcast on the French language network or the English language network. There is a remarkably close

community of interest manifest between the employees employed in the Respondent's news broadcast service arising out of the integrated nature and identity of their work. If past collective bargaining experience provides any criterion, the establishment of a separate unit of news broadcast employees in the Quebec division with a different bargaining agent would lead to the erection and hardening of undesirable barriers to the co-ordination and interchange of work and activities as between the employees in the proposed Quebec division unit and the employees elsewhere in the news broadcast service of the Respondent. This is referred to in the evidence given by a representative of the Respondent at the hearing before this Board (see Pages 67-68 of the English Transcript of Evidence) as follows:

There is a potential of a certain amount of jurisdictional dispute because in each of the locations, ....., there are French correspondents in the main broadcasting locations in the other provinces who inevitably are feeding news reports and material into the Montreal newsroom which is the headquarters newsroom of the French network. We would then come into a conflict situation -- I should not say we will come into a conflict situation, but there would be a potential of a conflict situation in a member of the ANG feeding news reports into a newsroom controlled by the SGCT. I trust it may not happen, but the problem conceivably could arise.

(2) The establishment of a separate unit of Quebec division employees in the news broadcast service would have the effect of inhibiting future transfers of newsroom employees between newsrooms in the Quebec division and the newsrooms in other divisions. Although the great majority of newsmen employed on news for the French network are working presently within the Quebec administrative division there are a number working in other administrative divisions serving the French network news and this number will be increased as additional French language stations are established at other points in Canada according to Respondent's plans. There are newsmen employed on English network news in the Quebec division. There are now transfers of newsmen in the service of both the French and English networks from newsrooms in the Quebec division to newsrooms in other divisions

and vice versa, even though limited by dual language requirements. We consider such mobility is desirable in the interests of the employees and the national broadcasting system.

(3) The evidence does not indicate any lack of effort or neglect of the interests of the employees in the news broadcast service either within or without the Quebec administrative division on the part of the officers or representatives of Intervener No. 1 as regards the renegotiation of collective agreements on their behalf with the Respondent or the handling of grievances or, in so far as outlined in the evidence, in the liaison arrangements established between the local newsroom committees and the executive committee of the union in respect of formulation of policy or conduct of collective bargaining nor is there any evident incapacity on the part of this Intervener to effectively discharge its responsibilities as bargaining agent. The evidence of some of the Applicant's witnesses indicates some resentment on the part of members of the Montreal group of employees at what they consider to be over-representation of the Toronto group of employees or under-representation of the Montreal group on the national executive committee of Intervener No. 1. This is a type of complaint that is not uncommon in geographically widespread bargaining units in other industries also and is not easily resolved. In each instance it is a matter of primary importance and responsibility for the bargaining agent to examine, consider and act in the light of current conditions as they affect the interests and aspirations of the several groups of employees and the individual employees in the system-wide unit.

The Board does not consider that the segregation of the Quebec division employees employed in the news broadcast service of the Respondent as a separate unit for collective bargaining as proposed by the Applicant would serve the best interests of the employees in the news broadcast service of the national broadcasting system operated by the Respondent nor of the system nor of the general public whom this system serves.

For reasons given above the application is rejected.

Dated at Ottawa, June 13, 1967.

(Sgd.) A. H. Brown,  
Chairman, for the Board.

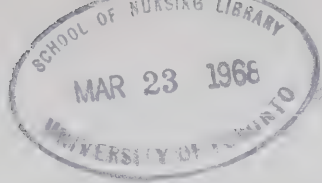




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# CONCILIATION BOARD REPORTS

## Conciliation Board Reports in Disputes between

Canadian Pacific Air Lines, Limited and International Association of Machinists  
and Aerospace Workers

National Harbours Board, Port of Montreal and National Syndicate of Employees  
of the Port of Montreal

Cargill Grain Company, Limited and National Syndicate of Employees of Cargill  
Grain Company Limited

McCabe Grain Company, Limited and International Brotherhood of Teamsters,  
Chauffeurs, Warehousemen and Helpers of America

A LABOUR GAZETTE SUPPLEMENT

CANADA DEPARTMENT OF LABOUR

Hon. John R. Nicholson, Minister

George V. Haythorne, Deputy Minister

## CONCILIATION BOARD REPORTS

Report of Board of Conciliation and Investigation established to deal with dispute between

Canadian Pacific Air Lines, Limited, Vancouver  
and  
International Association of Machinists and Aerospace Workers

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The Board of Conciliation and Investigation established to deal with a dispute between Canadian Pacific Air Lines, Limited, Vancouver International Airport and Lodge 764 of the International Association of Machinists and Aerospace Workers, was under the chairmanship of George W. Rogers, Vancouver. He was appointed by the Minister in the absence of a joint recommendation from the other two members of the Board, John A. Bourne and Harold Dean, both of Vancouver, who were previously appointed on the nomination of the company and union, respectively.

Each of the three members of the Board filed a separate report with the Minister of Labour. The reports were received in July.

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The hearings began in Vancouver on June 9.

### REPORT OF GEORGE W. ROGERS

Following the hearings, the Board deliberated on a number of occasions in an attempt to arrive at a unanimous decision. Although coming very close to so doing, the Board failed primarily over the issue of "sick-leave-wage continuance." In order to get that far, both members had moved from their original positions. Although full agreement had not been reached on a few individual job classifications, I feel certain that they would have been cleared had the former issue been resolved.

I regret my inability to agree entirely with either of my colleagues' present positions and for that reason am submitting an individual report.

The items in dispute and my comments and/or recommendations with respect to each are as follows:

#### Wage parity with Air Canada

In my opinion, the union presented an excellent case for wage parity with Air Canada and I certainly agree that earnings should be comparable. I recommend that effective March 1, 1967 the Canadian Pacific Air Line rate for a specific classification be substantially the same as that established for the same classification in Air Canada on November 1, 1966 and that the parties work out their own combination of percentages and dates for subsequent increases, rather than follow Air Canada right to the identical date and amount.

#### Split shifts and additional holidays for six-day employees

During the hearings the company agreed not to schedule split shifts in a six-hour-and-40-minute-day. The union withdrew its request for additional holidays for six-day employees. I recommend this change of scheduling become effective not later than 60 days from the signing of a new agreement.

#### Ninth general holiday

I recommend no change in the existing contract. Although Air Canada has nine general holidays, as opposed to CPA's eight, the actual wordings and application are different and it might not be desired by both parties to adopt Air Canada's wording and application just to add the ninth day.

#### Overtime

I believe a compromise between the two positions on this issue would be for the parties to agree that main-base overtime provisions prevail in all instances where main-base and non-main-base personnel are working together.



#### Length of contract

I believe a contract expiring four months after the current Air Canada one is advantageous to both parties and accordingly recommend a 26-month contract expiring April 30, 1969.

#### Seniority

I understand that the union and the company are in agreement on a wording.

#### Severance pay

The union proposed a formula reading: "Employees placed on laid-off status, due to a reduction in the work force, will be compensated at the rate of one weeks pay for each year of service with the company."

I understand that it is the company's policy to provide displaced employees with alternative jobs where possible. This action may not always be satisfactory and I recommend formation of a joint union-company committee to study and make recommendations. Such a committee should not work independently, but preferably should be part of an "air line industry committee" consulting and working with government bodies. I further recommend that this committee be consulted prior to a layoff as a result of technological change.

#### Annual vacations

I recommend:

Effective January 1, 1968 -- 3 weeks after 5 years service;

Effective January 1, 1969 -- 4 weeks after 15 years service.

#### Life insurance

I recommend adoption of the union's modified request for twice the annual wage, with a further modification for female employees; the cost to be shared on a 50-50 basis, effective January 1, 1968.

#### Sick leave; wage continuance

The parties agree on the need for a long-term plan, but not on the specific plan. In view of this, I recommend that independent actuaries, appointed by the respective parties, investigate the various combinations available and provide a specific recommendation for adoption not later than March 1, 1968. In my opinion, the cost to the company for each employee, for the combined sick leave and wage continuance, should not exceed Air Canada's cost for the same, nor should the employee's contribution for the wage continuance insurance exceed the employee's share in the Air Canada plan. In the event a mutually satisfactory plan is not adopted by March 1, 1968, then the union should have the opportunity to reopen negotiations on this one issue under the provisions of section 22(2) of the Industrial Relations and Disputes Investigation Act.

#### Provision of parkas

I certainly agree that the company should pay one half the cost every two years for line service and ramp employees, with the company consulting the union regarding selection, in an endeavour to eliminate complaints about weights for different temperatures.

#### Shift bonus

I recommend the same shift differentials for hours worked as in the Air Canada contract, but, to reduce the cost impact, making the effective date later, say July 1, 1968.

#### Individual classifications

I recommend that any differences remaining, concerning pay and job descriptions for individual classifications, be settled by the parties in direct negotiation. Thus concludes my formal report.

I believe the following of sufficient importance for special mention, although not part of the report.

At the conclusion of the hearings, I asked both company and union representatives whether or not they would be interested in exploring the possibility of joint negotiations with Air Canada and the other machinists' lodges concerned. I was informed by both parties that the matter would be given serious consideration if such a request were made to them.

Vancouver, B. C., July 5, 1967.

(Sgd.) George W. Rogers,  
Chairman.

## REPORT OF JOHN A. BOURNE

The basic issue between the parties is concerned with the union demand for complete parity of wages and fringe benefits with Air Canada, including exactly the same size of and effective dates of wage increases.

Air Canada is approximately four times the size of Canadian Pacific Air Lines, Limited (hereinafter referred to as CPA). Air Canada is a Crown corporation placed in a preferred position by the Government of Canada and the federal agency responsible for Canada's air transport industry. Air Canada has had allocated to it the choice domestic and foreign routes: exclusive right to operate non-stop transcontinental service; and is guaranteed that CPA will not be allowed to operate to a capacity of more than 25 per cent of the total transcontinental seat miles. Approximately 80 per cent of CPA's business is foreign. For Air Canada the figures are reversed. Thus, CPA is obliged to operate under restrictive handicaps within Canada, but is required to meet the intense competition afforded by foreign carriers.

Air Canada conducts its own negotiations for collective agreements in which CPA has no part or voice.

It is natural in negotiations, where it is to the union's advantage to do so, that a comparison will be made with Air Canada's wage rates and conditions. In most cases of collective bargaining a union will point to the best features of the contracts entered into by the large companies, but it does not follow that a union should obtain, expects to obtain, or indeed does obtain a composite of the best features of each.

It should be borne in mind that the collective agreement with Air Canada contains many features of flexibility in working conditions that the more rigid CPA agreement does not contain. This allows Air Canada, for the price of wage rates it has agreed to pay, to schedule the work within this framework of flexible working conditions to avoid the cost burden in a manner not open to CPA under the conditions of its present agreement with the union.

The nature of the operations and the organizational set-up of the two corporations is quite markedly different, as is the nature and extent of the representation of the employees by different unions. These are bound to be reflected in required differences in the provisions of their respective collective agreements. Therefore, in these circumstances, CPA should be permitted to retain its individuality and should not be irrevocably bound to Air Canada's wage structure and fringe benefits. At the same time, the company must recognize the impact that Air Canada's settlements have and that CPA is competing in the same labour market with Air Canada.

Indeed, over the years, the wage rates and conditions under the collective agreements with the two companies have been comparable. Sometimes CPA wage rates have, for short periods, exceeded those of Air Canada. Sometimes they have been slightly less and with a different timing, but they have always been, to put it in the vernacular, in the same "ballpark." That is a situation that will continue to exist.

The only manner in which absolute parity could properly be achieved, would be by the two corporations' entering into joint collective bargaining with the union in which each company would have an effective voice. This is the manner in which virtually all industry agreements, or so-called master agreements, are achieved. The members of the Board have recognized that any recommendation in that respect would not be effective without the consent of the respective companies and lodges of the union that would be involved in such negotiations.

I have, therefore, arrived at the conclusion, and so recommend, that the wages, fringe benefits and working conditions of employees of CPA should be comparable, but not necessarily tied, to those of employees of Air Canada. I will now deal with specific recommendations.

### Wages

The company suggested, in the proceedings before the conciliation officer, as a possible formula for settlement, the following: Wage adjustments as discussed.

8 per cent increase effective March 1, 1967;

7 per cent increase effective November 1, 1967;

7.9 per cent increase effective May 1, 1968 and continuing until April 30, 1969.

For a mechanic 4, under this formula, the total income in the 26-month period from March 1, 1967 to April 30, 1969 would be \$16,882.66. That compares with the total earnings of \$16,841.03 of the similar employee of Air Canada in the 26-month period of its collective agreement from November 1, 1966 to December 31, 1968 (of which he would work only 25½ months by reason of his being on strike). I am convinced this was put forward by the company in the belief that it would result in a settlement, as it achieves wage rate parity during the life of the agreement. It achieved higher total earnings for a CPA employee over the term of the respective 26-month periods of each of the collective agreements. That suggestion was not even seriously considered by the union. It insisted on absolute parity, day by day, during the 22-month period the two collective agreements would run together in time.

In an endeavour to bring the parties together to achieve a settlement during the Board hearings, I explored with the company representatives other proposals which, though not paralleling Air Canada rates, would result in an acceptable earnings comparison with employees of Air Canada. As a result of those discussions I recommend that the company offer, and that the union accept, the following proposal, which I think will give the union an increased dollar package over the company's earlier suggested area of settlement and yet preserve for the company the principle that it is not irrevocably bound to whatever Air Canada concedes in the absence of a voice on the subject by CPA.

10 per cent general increase (plus special adjustments) effective March 1, 1967;

5 per cent general increase effective March 1, 1968; general increase to equate Air Canada rates (approximately 5 per cent) effective November 1, 1968.



This recommendation will result in a CPA mechanic 4 receiving in the 26-month period of the collective agreement a total of \$16,959.30, compared with the Air Canada mechanic 4 earnings in the 26-month period of Air Canada's collective agreement of \$16,841.03.

#### Welfare benefits, generally

It must be recognized that CPA, with about 3,200 employees, is at a great disadvantage when compared with Air Canada, with about 14,000 employees, in providing comparable benefits such as group medical coverage, sick leave and wage continuance, group life insurance, and similar items, where the coverage and the rates are so dependent upon the size of the group. The evidence is clear that it would cost CPA more to provide benefits similar to Air Canada, or conversely, that for the same cost lesser benefits can be made available. With this in mind, I proceed to consider the various benefits that were under discussion.

#### Sick leave, salary continuation program

Air Canada, apart altogether from collective bargaining, developed a sick leave-salary continuation program adapted to its particular situation, geared to the cost that would be applicable to the larger number of employees involved. The union advanced a proposal requiring the company and the employees to each contribute one half of one per cent of payroll into a fund to provide a wage continuation program, with the company still bearing the high cost of the present sick leave program.

The company is endeavouring to evolve a program that would cover all its 3,200 employees, not just those in the bargaining unit represented by the union. Figures have been supplied by the actuaries to the company, but of course these are dependent upon all employees' being covered by the same plan. The figures show that with the group represented by this union the present average usage costs 1.6 per cent of wages, compared with a company average of .92 per cent. It is axiomatic that with a larger group, including the bulk of employees whose record of cost of sick leave is much lower than for this unit, a far more advantageous plan at a lesser cost can be provided on the basis of coverage of all employees. In any event, the company wishes to cover the other employees in such a plan. After a good deal of reflection and discussion with the other members of the Board, I recommend that a committee be formed representing the company and the union, upon which would be a qualified actuary advising the union, to study the details of the company plan now being developed. If the committee does not approve the plan, I recommend that it develop its own plan for members of the unit represented by the union and that the company contribute to such plan a per capita cost equal to what it would have contributed to the company plan. I realize this would, in the long run, cost the company more because, with the lesser group available to participate in the company plan, the cost per capita would be increased. I am confident that the union, upon study and receiving advice, will ultimately conclude the over-all company plan will be far more favourable to its members.

#### Group medical coverage

I recommend no change in this plan under which the costs are borne half by the company and half by the employees.

#### Group life insurance

The present situation is that the company arranged the plan that provides a maximum of \$8,500, but the employee pays the whole premium. The union requested an increase in coverage to two and one half times earnings, with the premiums to be borne equally. I agree a larger coverage is desirable and since the trend is for larger companies to be involved in paying premiums, I think CPA should bear part of the cost. I recommend that as soon as it is possible to make the arrangements the coverage be increased to, say, two times earnings and that commencing July 1, 1968 the company bear one half of the cost of the premiums, but not exceeding the cost of the individual premiums borne by Air Canada.

#### Annual vacations

I had difficulty in arriving at an appropriate arrangement, bearing in mind the improvements made in this benefit area. After considering representations of both parties, I recommend as follows:

- (1) Three weeks annual vacation for employees with five years service with the company, to come into effect on January 1, 1968.
- (2) Four weeks annual vacation for employees with 15 years service with the company, to come into effect on January 1, 1969.

#### General holidays

The company presently pays for eight general holidays. The union requests an unspecified ninth holiday. I feel the addition of an additional general holiday is justified in view of the trend in that direction throughout a large segment of industry. However, it is recognized by the Canada Labour (Standards) Code, and by some of the provisions of the collective agreement, that the purpose of general holidays is to allow an employee time off with pay for the purpose of leisure, but not to provide him with a vehicle with which to increase his income. Therefore, in the Code (this being classed as a "continuous operation") and to a

much more limited extent in the agreement, other days may be substituted as holidays at a time convenient to both company and employee, or failing that, they may be added to the annual vacation.

In this industry, holidays that are normally tied to the observance of a particular day cannot always be given on that day. Air Canada, which recently granted the ninth holiday, is provided with complete flexibility in scheduling holidays, so long as an employee gets the total number of days off or is paid for those worked at overtime rates and without reduction of salary by reason of the holiday.

I consider the provision in the Air Canada agreement fair and in accordance with the principles laid down in the Canada Labour (Standards) Code. If CPA is to grant an extra holiday, it should be able in appropriate cases to:

- (a) Reschedule holidays at convenient times, consistent with operational requirements; or,
- (b) Add them to annual vacations; or,
- (c) if (a) or (b) cannot be accomplished, to pay at the rate of time and one half for all work performed on the holiday up to 10 hours, and double time thereafter.

#### Shift bonus

The union asked that shift bonuses be doubled. The company's position was for no change. But the company indicated that if a change were finally to be made, a shift premium expressed in cents per hour (which is the most common method of payment of shift premiums) would be appropriate.

I recommend as follows:

- (1) Effective September 1, 1968 a shift premium of 14 cents an hour be paid for all hours worked on scheduled afternoon shifts;
- (2) Effective September 1, 1968 a shift premium of 21 cents an hour be paid for all hours worked on scheduled night shifts;
- (3) Effective September 1, 1968 an irregular shift premium of 25 cents an hour be paid for all hours worked on shifts commencing or terminating after 2:00 a.m. and before 6:00 a.m., such premium to be in lieu of all other premiums;
- (4) The provisions would not apply to janitors. They are engaged on a regular basis to perform work at specified hours, predominantly during the evening. They are not considered shift employees. No shift or other bonus should be attached to the specified hours for which they are hired to perform services, as their regular salary rates were set with a view to adequately compensate them for the particular hours they work.

#### Severance pay

The union requested a program of severance pay for those persons displaced from employment by reason of technological change. Admittedly, there has been no problem in this industry to date, nor will there be a problem in the foreseeable future in view of the demand for skilled labour of the type represented by the union, and in view of the anticipated growth in the company's work force.

The Department of Manpower and Immigration already has studies under way in the technological change field that may in time become the subject of legislation. It would be pointless and wasteful to conduct independent studies relating to this company, but I see no reason why a committee composed of company and employee representatives should not liaise with "Manpower" on the subject and keep abreast of "Manpower's" studies insofar as they will ultimately relate to the industry.

#### Parkas

As far as I can see there is no real dispute between the parties, although there were some isolated complaints with respect to the type of parka supplied. I see some justification for the union's request that the company extend its 50-50 sharing of the cost of parkas for all employees required to work outside the hangar during the winter season. The company should not be required to provide more than one parka every two years on this basis.

In order to avoid future misunderstandings, before the company makes any future change in type or design of parka, it should discuss the matter with a committee to be named by the union.

#### Six-day employees

During the course of the proceedings the company conceded that at certain field bases, where employees work on a 6:6.40 schedule, within a reasonable period following the signing of a new agreement split shifts will be eliminated. There is no justification for adding to the annual vacations of the employees.

#### Overtime premiums

The union requested that at all bases the double time rate for overtime apply after 10 hours work. The company pointed out that at stations other than main bases, much of the overtime is standby time caused by unavoidable flight delays. Under those circumstances, usually caused by weather conditions and other events beyond the control of both the company and the employees, there is no justification for increased penalties.



#### Length of contract

I recommend a 26-month term, commencing March 1, 1967 and ending April 30, 1969.

#### Classification adjustments

With the exception of the classifications specifically mentioned below, the company and the union have agreed upon a formula for adjusting rates for various classifications in a manner similar to adjustments made by Air Canada. The classifications wherein there is disagreement are the following:

##### Lead station attendant

The union compares this position with a similarly named category in the Air Canada agreement. However, the hiring standards are different because the job content in the position at CPA is lower. Air Canada uses the position as a normal step to promotion to cargo and related ramp supervisory positions. Because of different union representation the situation is quite different to CPA.

I recommend this classification receive a differential of \$27.50 per month over the highest rated station attendant.

##### Subforeman

The rate was agreed upon, except in cases where a subforeman performs inspection duties. In such cases I recommend the subforeman receive a differential of \$10 a month.

##### Line engineer

I consider there should be additional incentive for an air engineer to bid on this position. A difference of \$10 a month over the air engineer 1 rate would suffice.

##### Cleaner aircraft

The union complained that the women occupying these positions should not be required to clean outside windows of aircraft, where it involved moving work stands in order to reach up to the windows. At the same time, it asks for a wage increase because such window cleaning duties appear to be covered in the work description. There is no justification for an increase, but the job description should be changed to make it clear that the cleaners need clean exterior windows only when they can be reached from the interior or from a dock or other solid platform.

##### Stores carpenter

In assessing the representations made by both parties, it appears that a wage relationship has been established between the stores carpenter's position and the "issuier-5th 6 months position." There is no logical reason for departing from this precedent. In determining a proper wage rate for the stores carpenter following the stores classifications realignment, I recommend that the equivalent classification wage rate comparison for the stores carpenter should be with the new storeman 4 wage rate, providing the stores carpenter's duties and responsibilities remain unchanged.

##### Building maintenance machanic

These employees are not required to possess, nor do they possess, the same skills as "mechanics" appearing elsewhere on the list of categories. Possibly the term "building maintenance mechanic" is a misnomer and should be changed. However, there is no justification for bringing their rates in line with mechanics' rates as suggested by the union.

Dated at Vancouver, B.C., this 5th day of July, 1967.

(Sgd.) John A. Bourne,  
Member.

#### REPORT OF HAROLD L. DEAN

During the course of the negotiations, and of the hearing, a great deal of evidence and argument was presented showing the economic position of the company and the relative wage rates between the company employees and comparable categories in other industries. We were also presented with indexes and evidence of productivity of the maintenance personnel and employees whose wage rates and other benefits were under consideration.

The union set out an argument asking for a 20-per-cent increase in wages. The main issue in the whole dispute was the question of wage parity, and I will deal with it first. It seems to me that if the question of parity is decided upon, then the

other issues will be much easier to resolve. Parity here means, parity with Air Canada, the main air line in Canada.

The union took the position that it was entitled to a 20-per-cent increase in wages, but finally said it would accept parity with Air Canada. As evidence of the necessity for parity, we have an open letter signed by J.C. Gilmer, president of Canadian Pacific Airlines Limited. It is dated July 9, 1966 and reads in part as follows:

As an employer, our third objective must be to provide all our employees with fair and reasonable wage rates, benefits and working conditions comparable at least to those of the community average for similar occupations.

The union has pointed out at length that at least 90 per cent of Canadian Pacific Airlines Limited employees are based in British Columbia, most of them in Vancouver. Air Canada has 50 per cent of its employees in Montreal, 15 per cent in Winnipeg, 5 per cent in Vancouver, and the remainder scattered from British Columbia to the Maritimes. The significance of this comparison is that British Columbia has the highest wage scale and also the highest cost of living. As a consequence, the argument is that their wage scale should be higher, rather than lower, than that of Air Canada because the greater percentage of Air Canada employees are living in areas where the wage rates are lower, as is the cost of living.

It appears that the company has indicated that it thinks parity with Air Canada is the correct principle -- which it recognizes in words -- but in fact, it manages to escape from reality by delaying the realization of the fact. Indeed, its efforts have finally come to the point where it is agreeing to parity, but with a lag.

On November 1, 1966 Air Canada employees received a 12-per-cent increase in wages plus other benefits, and, under the contract signed at that time, they were to receive an additional 5 per cent on October 30, 1967 and an additional 3 per cent on June 24, 1968. Their contract terminates on December 30, 1968. Therefore, even if CPA employees are to receive the same pay increase as Air Canada employees, by making it retroactive to March 1, 1967 they will suffer a loss of the increase from November 1, 1966 to March 1, 1967.

Many propositions were put forward to provide some formula other than parity. I can see no reason why the increase granted to Air Canada employees should not be awarded to CPA employees. I therefore submit that the 12-per-cent increase granted to Air Canada employees on November 1, 1966 should also be granted to CPA employees retroactive to March 1, 1967 and that the increase should continue from that date. In addition, a 5-per-cent increase should be awarded on October 30, 1967 as well as a 3-per-cent increase on June 24, 1968. I submit that the termination date of the contract should be April 30, 1969. That, in itself, is a concession to the company, as Air Canada employees, when their contract expires on December 30, 1968 will again be trying to reach parity with U.S. air lines and will be seeking new increases that will not be open to CPA employees until the termination of their contract on April 30, 1969. Even if the CPA employees get a retroactive increase, there will be a time lag and consequently a loss of earnings.

I have endeavoured in all other benefits that have been under consideration to come close to parity with Air Canada, considering the different types of air lines, the record of past contracts, etc.

#### Welfare benefits

For the purpose of brevity, I refer to sick leave wage continuance, life insurance coverage and prepaid medical coverage as welfare benefits. They have posed the most difficult problem.

The present CPA sick leave plan provides coverage for employees during short periods of illness of not more than 12 days. There is no sick leave wage continuance.

The CPA employees pay half of the prepaid medical coverage and they are not covered by any insurance paid for in part by the company.

In an effort to reach parity, I would submit that a proper settlement would be to have the same coverage as Air Canada on all the welfare benefits. I understand they are as follows:

- (1) The company bears the full cost of prepaid medical coverage.
- (2) The company pays full wages for the first 14 days of sick leave, and thereafter the sick leave wage continuance comes into effect, and the company pays one half of the additional cost of the wage continuance plan.
- (3) The company pays one half of the premium costs of group life insurance policies that provide coverage based on two and one half times the employees' annual salary.

I would submit, if the per-unit costs of group life insurance for Canadian Pacific Airlines Limited exceed the costs for Air Canada, that the coverage should be reduced to twice the employees' annual salary, the implementation date of which to be January 1, 1968 and that the prepaid medical coverage and sick leave wage continuance be implemented on March 1, 1968 and that the other conditions mentioned be the same.

The above-mentioned items were the most contentious points under consideration. There were other matters that were the subject matter of very serious and prolonged negotiations between the parties concerned, one of which was the ninth general holiday.

The employees of Canadian Pacific Air Lines Limited (the union in this case) enjoy eight general holidays in each year. If an employee is forced to work on any of those holidays, he is paid at the rate of time and one half and gets a day off at straight time or, in lieu of the day off, a days pay at the rate of time and one half.

Air Canada employees have nine general holidays, and some 72 per cent of non-office employees in British Columbia are entitled to nine or more paid holidays in each year. In this industry, some 60 per cent of non-office, non-operating employees also receive nine or more paid holidays in each year.



I would submit, insofar as the eight holiday that Canadian Pacific Air Lines Limited employees now enjoy, that the contract remain the same but, insofar as the ninth general holiday is concerned, that a proper resolution of the problem would be to permit the company to select any day in the year as a day off with respect to this ninth general holiday only or, if not possible, to give the employee a days wages at the rate of time and one half.

#### Severance pay

The union argued this point at some length. Although it is not an immediate problem in this industry in particular, it promises to be a problem in years to come. Having that in mind, I feel a committee should be set up during the period of this agreement, with equal representation from the union and the company, chaired by the Canada Department of Labour, to study the whole question of technological changes as they apply to the air transport industry. Any employee who is to be laid off owing to technological changes should have his case referred to this committee for study and recommendation.

#### Parkas

The positions of the union and the company on this point were not too different, particularly insofar as costs are concerned. There were some technical problems involved, relating to types of parkas that should be purchased for bases in colder climates. I would submit that a proper resolution to the problem would be to have a committee set up, with equal representation from the company and the union, to study the question of parkas and to make recommendations to the appropriate authorities in the company for action. The existing cost-sharing program should be amended according to the union submission, that would result in no significant change in the cost factor.

#### Vacations

I would submit that a proper resolution of the problem would be as follows:

- (1) Three weeks annual vacation for five years service with the company. That would apply to annual vacations taken during 1968.
- (2) Four weeks annual vacation for 15 years service with the company. That would be in effect for vacations taken during 1969.

#### Shift bonus

It appears that the company prefers to have an hourly increase in pay rather than a bonus for shift work. That would be acceptable to the union.

I would submit the following:

- (1) A shift premium of 13 cents an hour (effective November 1, 1967, 14 cents an hour) will be paid for all hours worked on scheduled shifts commencing between 12 o'clock noon and 7:59 p.m. inclusive and a shift premium of 20 cents an hour (effective November 1, 1967, 21 cents an hour) will be paid for all hours worked on scheduled shifts commencing between 8:00 p.m. and 6:59 a.m. inclusive. In addition, a shift premium equivalent to that applicable to the employees' preceding regular shift shall be paid for all overtime hours worked.

NOTE: Employees on a non-standard schedule (40/7 formula) shall be paid shift premium for hours actually worked, based on the starting time (as specified above) of each individual period of duty.

- (2) Effective February 1, 1967 an irregular shift premium of 25 cents an hour will be paid for all hours worked on shifts commencing from 2:00 a.m. to 5:59 a.m. inclusive or terminating from 2:00 a.m. to 6:00 a.m. inclusive, in lieu of all other shift premium. In addition, a shift premium equivalent to that applicable to the employees' preceding regular shift shall be paid for all overtime hours worked.

#### Janitors

I submit that these employees should receive the same consideration for shift work as do other employees. I am not impressed by the company's argument that janitors should not receive any consideration for working midnight or afternoon shifts, or irregular shifts. If we were to follow that argument, no increases would ever be effected.

#### Store's carpenter

Although there is only one person in this classification in the whole of Canada, this point was argued hotly.

I would submit, as a compromise, that this classification be paid \$465 a month. That is considerably below the wage rates paid to carpenters in the construction industry, and to mechanics in CPA.

The reclassification of some employees was given a great deal of consideration by the union and the company. Reclassification of some employees is necessary to standardize the type of work problem of CPA employees as compared with Air Canada employees. It is my understanding that the parties hereto have agreed to what constitutes parity by the reclassification of certain employees.

The union proposes a starting rate, as set out in the said exhibit U-3, apparently the figure arrived at, save and except for certain classifications that are as follows:

Subforeman - the company offered \$692 a month, the union asked for \$697. The union agreed to accept \$692;

Line engineer - the company offered \$692 a month, the union proposed \$697. The union agreed to accept \$692;

Lead station attendant - this rate has been a matter of contention. My position is that the company offer of \$27.50 should be applied to the top station attendant rate. Implementation of this classification at a parity level with Air Canada should be made on March 1, 1968;

Cleaner aircraft interiors - it is my understanding that the union originally asked for an increase of \$12, that is, \$340 for 1st year, and \$355 for 2nd year. I would submit that an increase of \$6 would be acceptable, being \$334 for 1st year, and \$349 for 2nd year;

Air engineer 1 - A figure of \$681.75 was submitted by the company. I believe that is \$1.18 less than the union request. The union has indicated that the figure would be acceptable, and I submit that the rate is a proper one;

Building maintenance mechanics - An equitable solution to applying Air Canada rates for this classification would be: (a) The rates of building maintenance mechanics 1, 2 and 3 would be identical to the rates for aircraft mechanics 1, 2 and 3. They are \$572.79, \$594.83 and \$606.01. (b) A 4th grade building maintenance mechanic be instituted with a rate of \$616.01. The progression to the classification to be contingent upon having served a minimum of six years as a building maintenance mechanic. The implementation of the classification to be effective from the signing date of this agreement.

#### Overtime

The only matter in contention was the question of the same overtime conditions being given to outside bases and to main bases. I would submit that a proper solution would be to have an over-all standard for all bases with the same rates for overtime, that is, that time and one half be paid for all overtime, and double time be paid for any time worked over 10 hours.

#### Split shift

The parties apparently agreed that no employees would be required to work both a split shift and a six-day work week. In return for such consideration, the union agreed to maintain the existing provisions for extra vacation days for those employees working a six-day week.

Dated at Vancouver, B.C. this 29th day of June, 1967.

(Sgd.) Harold L. Dean,  
Member.



Report of Board of Conciliation and Investigation established to deal with dispute between

National Harbours Board, Port of Montreal  
and  
National Syndicate of Employees of the Port of Montreal

The Board of Conciliation and Investigation established to deal with the dispute between National Harbours Board, Port of Montreal and Syndicate of Employees of the Port of Montreal (CNTU), was under the chairmanship of Judge Paul Hurteau, Montreal. He was appointed by the Minister in the absence of a joint recommendation from the other two members of the Board, Jean Massicotte, Q.C., and Jean Robert Gauthier, both of Montreal, who were previously appointed on the nomination of the company and union, respectively.

The report was received by the Minister of Labour in July.

Translation

On April 3, 1967 a Board, under the Industrial Relations and Disputes Investigation Act, in the matter of a dispute concerning the National Harbours Board, port of Montreal and the National Syndicate of the Montreal Harbour Employees, (CNTU), was appointed and constituted.

Several public and private hearings with the parties were held and several private meetings of the Board were also held.

We have the privilege to inform you that an agreement between the parties was reached and was duly signed. We are sending you the memorandum of agreement signed by the parties.

We believe that we have thus completed the assignment that you have entrusted to us.

(Sgd.) Paul Hurteau,  
Chairman.

Jean Massicotte,  
Member.

Jean R. Gauthier,  
Member.

Montreal, July 13, 1967

MEMORANDUM OF AGREEMENT

Whereas the collective agreement negotiated between the Board and the syndicate on April 10, 1965, has expired since December 31, 1966.

Now, therefore, the Board and the syndicate agree:

1. To renew the said collective agreement for an additional period of two years; that is for the period extending from January 1, 1967 to December 31, 1968;
2. To amend the said collective agreement thus renewed by substituting or adding, as the case may be, the new sections or parts of sections, the texts of which are attached herewith, which shall become an integral part of the agreement, that is the following sections or parts of sections:

Subsection 3.02, section 4, subsection 5.01, subsection 6.02, subsection 7.01, subsection 7.02, subsection 7.04, subsection 7.06, subsection 8.03, section 9, section 10, subsection 22.07, section 23, subsection 24.01, section 25, subsection 31.02.

to the corresponding sections or parts of sections, by deleting subsections 20.02, 20.03 and 20.04 of section 20 and by introducing in the list of union officers in subsections 30.01 and 30.02 of section 30 the words "secretary-treasurer."

The parties further agree that the hourly wage rates of the employees governed by the said agreement thus renewed shall be in accordance with the approved wage table.

(End of translation).

Signed in Montreal this 5th day of July, 1967.

J. R. Jacques,  
for the Board.

Hervé Dubé,  
Gérald Gagnon,  
for the Union.

Report of Board of Conciliation and Investigation established to deal with dispute between

Cargill Grain Company Limited, Baie Comeau, Quebec  
and  
National Syndicate of Employees of Cargill Grain Company Limited

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The Board of Conciliation and Investigation established to deal with a dispute between Cargill Grain Company Limited, Baie Comeau, Que., and the National Syndicate of Employees of Cargill Grain Company Limited (CNTU), was under the chairmanship of Harold Lande, Q.C., Montreal. He was appointed by the Minister on the joint recommendation of the other two members of the Board, Jean Massicotte, Q.C., Montreal, and Jean-Guy Michaud, Sept Iles, who were previously appointed on the nomination of the company and union, respectively.

The report was received by the Minister of Labour in July.

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The Board met in Quebec City on June 8, 9 and 15, and held a long hearing in Montreal on June 23.

In order to enable you to better understand the difficulties met by our Board, we wish to acquaint you with the facts that brought about the present negotiations. From 1960, the company was governed by a collective agreement signed with an international union, that is, International Brotherhood of Pulp, Sulphite and Paper Mill Workers. That union was replaced by the union that was certified in December 1966. Since then, the new union and the company have attempted to negotiate a collective agreement. In the draft agreement submitted by the new union to the company, a whole series of provisions and conditions appear that do not appear in the old contract.

The union claims that, in general, in the Baie Comeau area, similar provisions are part of collective agreements governing other large firms, such as the Canadian British Aluminum Company, the Quebec North Shore Paper Company and Hydro-Québec. On the other hand, the company fears the insertion of the new provisions submitted by the union, more particularly because it believes that its relations with the union will be more difficult. The attitude of the company may be explained by the first two experiences it has already had. In fact, it was affected by the events that took place at the plant of the Canadian British Aluminum Company where a work stoppage, illegal according to the company, caused considerable damage. It must also be said that the company had an unfortunate experience with the present union when, at the opening of the navigation season, four key employees refused to perform their work, causing a stoppage of operations and a layoff by the company of all its employees.

Consequently, the company approached the bargaining table with an attitude of mistrust and refused to accept any provision that would be of such a nature as to give rise to what it considers unnecessary grievances.

On the other hand, the union maintains that most of the disputed provisions exist in other contracts signed in the area and that consequently, there is no reason to deprive the persons for whom it is bargaining of the benefit of similar provisions.

The Board seriously attempted during the first two days to bring the parties to an agreement and to see how many of the provisions contained in the new draft contract might be acceptable to both parties.

We were able to obtain an agreement concerning the following provisions. They were part of the draft agreement submitted by the union:

Section 1, object of the agreement; Section 2, validity; Section 3, recognition, jurisdiction; Subsection 4.01, management rights; Section 7, union security; Subsection 6.01, official texts in English and in French; Subsection 6.02, the text of the company was accepted concerning the prohibition of striking or the mass exit of employees during the term of the agreement.

After having met the parties in Quebec City on June 8 and 9, and after having obtained their agreement on the above-mentioned provisions, thus creating an atmosphere of compromise and harmony, we suggested to the parties that they continue their own bargaining, with the assurance of our availability at all times, should they need our assistance. Consequently, the parties met in Baie Comeau on June 13 and 14, to continue bargaining privately. On June 15, in Quebec, the Board held a meeting during which the parties informed it that they had not been able to reach an agreement on any of the major issues.

In order to determine to what extent the parties seriously wanted to sign an agreement without resorting to strike action, the chairman met them separately during the major part of the day on June 15 and summed up with them all the provisions, one by one, except the usual "monetary provisions."

In order to find out what could be acceptable to the company, the chairman asked the union which provisions could be the object of a compromise, and which were those it was ready to drop. After lengthy discussions it became obvious that the union insisted that the principal of the following provisions be inserted in any contract it would be ready to sign:

Subsection 4.02, subcontracting; Subsection 4.03, arbitration of the new classifications; Subsection 4.04, grievances, including all working conditions not governed by the contract; Section 8, disciplinary measures; Subsection 9.01, grievance



procedure, including all working conditions: Section 14, seniority in promotion and transfer cases, the company refusing to accept the rule demanded by the union; Subsection 15.02, the union, due to the seasonal nature of this industry, asks for guaranteed continuous employment for certain employees having most seniority; Section 16, establishment of a joint industrial relations committee; Subsections 18.06 and 18.08, establishment of a joint safety committee; Section 21, the respect by the company of rights acquired outside the contract.

The company has refused to accept signing a contract that would contain one of the above-mentioned provisions with or without modification. That is the case of an objection of principle (sic).

In addition to the foregoing, the company has also declared it refused the principle stated in subsection 23.08 concerning the number of employees that must be part of the groups assigned to the loading and unloading of vessels, or to the handling of merchandise on the wharves. Having endeavoured through all possible means during the whole of June 15 to bring the parties to change their attitude concerning the above-mentioned essential provisions, that were more questions of principle than questions of money, we arrived at the conclusion that it was useless to continue the study of the other provisions of the contract which, for the most part, are standard items, such as wages, working hours, holidays and so on. There exists at the present time in the Baie Comeau-North Shore area, a general wage level and a prevailing schedule of working hours and holidays. The Board is thus convinced that once the above-mentioned disputed matters are settled, the establishment of a level acceptable to both parties in the matters would be the easiest task to carry through successfully in the negotiation of this contract.

For the above-mentioned reasons, the Board intensely discussed each of the ten above-mentioned points at issue with both parties without dealing with the questions of money or working hours. As for the ten provisions already, mentioned, suggested by the union, and unacceptable to the company, the Board wishes to make the following recommendations:

#### Subsection 4.02, subcontracting

The Board holds unanimously that the contract should recognize in some way or other the principle put forward by the union. However, it would not go as far as the latter and thus suggests the following text:

The union acknowledges the right of the company to subcontract any work or any job whatsoever, providing that it does not reduce, annul or abolish the bargaining unit.

One of the objections of the union to that text was that the men would be deprived of the opportunity to work overtime while regular work would be performed by persons not included in the bargaining unit. The Board suggested that this matter could be properly dealt with in the section concerning overtime.

#### Subsection 4.03, new classifications

Concerning the new classifications, the Board was unanimous in its opinion that the company should always have the right to establish job classifications and to determine the contents of the jobs. The company should also have the right, for the duration of this contract, to create new classifications and to determine the contents thereof. In this case, the company shall set for this new classification a rate fitting in the schedule of wage rates established by the contract for related jobs. This new rate shall be subject to the grievance procedure and to arbitration.

#### Subsection 4.04

In connection with subsection 4.04 and the same principle as stated in subsection 9.01, the majority of the Board, consisting of the chairman and Mr. Massicotte, was of the opinion that the grievance procedure and consequent arbitration should be restricted to matters governed by the contract and to the alleged violations of the agreement. However, the chairman also suggests that the application of the union be put off until the next contract is negotiated in order to give the parties an opportunity to see, during the term of this first contract, the effect of a provision recommended by the majority and to enable them to become better acquainted with each other.

Mr. Massicotte did not agree with that reasoning, because he believes in principle that arbitration should in all cases be restricted to the contents of the contract.

Jean-Guy Michaud felt that the principle stated in subsection 4.04 suggested by the union should be followed.

#### Section 8, disciplinary measures

Concerning the disciplinary measures, the Board held unanimously that the contract should contain a provision stating that the employer may discipline by means of a written notice, a suspension without pay or a dismissal. It is understood that if the employee feels he has been unjustly disciplined, this matter may become the subject of grievance.

#### Section 14, seniority, promotions and transfers

The Board felt unanimously that in the case of a promotion, the employee having most seniority should be promoted, provided he has the necessary qualifications for the job. Prior posting of the job should be required.

The Board, Counsel Massicotte dissenting, also felt that an employee should have the right to ask for previous training to prove his skill and to become familiar with the job.

#### Subsection 15.02, guaranteed employment for certain employees

As for subsection 15.02, considering the fact that this is the case of a seasonal industry and that the number of employees that reaches a maximum of 170 in summer is reduced to approximately 50 in winter, the Board recommends that the company pursue the policy it has hitherto applied and let the parties decide whether such a provision should be inserted in the contract.

#### Section 16, joint industrial relations committee

As for section 16, that is to say, the suggestion made by the union to create a joint industrial relations committee, the Board held unanimously that the parties should, at a later date, study the question with the help of the Labour-Management Consultation Branch, Canada Department of Labour, which has experience and knowledge in that field.

#### Subsections 18.06 and 18.08, joint safety committee

In subsections 18.06 and 18.08, the union requests a joint safety committee, etc... The majority of the Board, consisting of the chairman and Mr. Michaud, favoured the principle stated in these provisions. Mr. Massicotte considers that the interests of both parties would better be served by a later study of the question under the direction and with the assistance of the Labour-Management Consultation Branch of the Canada Department of Labour as suggested in the preceding subsection.

#### Section 21

As for the rights acquired outside the contract (sic), the Board felt unanimously that the rights or privileges that could exist and that would be greater than the minimum provided for the draft agreement, be inserted (sic), in advance and specified in the agreement or determined by any other recognized means, such as a pocket agreement or a letter of intent.

As for certain other provisions of the draft agreement, submitted by the union, that have not been mentioned in this report, such as the provisions concerning grievance procedure, arbitration (section 9 and its subsections), layoff and recall (subsection 15.01) and other similar sections, we feel that this is a case of routine questions that could be easily negotiated by the parties without our assistance, once the difficulties arising from the ten items already mentioned have been overcome.

Harold Lande, Q.C.,  
Chairman.

Jean Massicotte, Q.C.,  
Member.

Jean Guy Michaud,  
Member.

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Report of Board of Conciliation and Investigation established to deal with dispute between  
McCabe Grain Company Limited, Edmonton, Alberta  
and  
International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America

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The Board of Conciliation and Investigation established to deal with a dispute between McCabe Grain Company Limited, Edmonton, Alta., and Local 987 of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America was under the chairmanship of Roy A. Gallagher, Q.C., Winnipeg, Man. He was appointed by the Minister in the absence of a joint recommendation from the other two members of the Board, David C. McDonald, Edmonton, Alta., and Ross T.G. McBain, Calgary, Alta., who were previously appointed on the nomination of the company and union, respectively.

The report was received by the Minister of Labour in August.

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The Board sat at Edmonton, Alta., on May 2 and 3. It held extensive discussions with the parties, both separately and together. As a result, the Board was able to put forth recommendations that the Board felt were equitable to both parties and should form the basis of the first collective working agreement between the parties.

By May 8, both parties had signified to the Board their acceptance of the proposals put forward by the Board.

However, by May 12 certain difficulties had arisen in the relationship between the parties. Efforts were made to resolve these difficulties by correspondence, but without success. The Board, therefore, reconvened at Edmonton, Alta., on June 20 and, as a result of full and frank discussion of the said difficulties, it was clearly understood by the members of the Board that a solution to the difficulties had been reached provided the union membership agreed to the suggested solution. When



advised to this effect, the employer was prepared to finalize a collective agreement on the basis of said solution.

On June 23 the union, by telegram, advised the chairman of the Board that the union membership had accepted the solution as proposed by the Board and affirmed by the company, and on the same date the union forwarded to the chairman a copy of the collective working agreement as proposed by the Board duly executed by the officers of the union.

On June 26 a copy of the executed collective agreement was forwarded to the employer with the request that if it was found to be in satisfactory form that the employer execute the same. In passing, it might be mentioned that the agreement in its final form and as signed by the union had been completed in such form by the nominee of the employer to this Board.

On July 6 and continuing by way of correspondence to August 4 W.S. Neal, secretary-treasurer of the employer, took the position that the company would not sign the said agreement on the basis that, in the employer's opinion, the agreement "is a nullity unless the employees indicate their desire to be governed by it by submitting their cards and so advising of their intentions," i.e., until the union filed the check-off cards of employees that it had on hand.

The members of the Board were unanimously of the view that since the union was the properly certified bargaining agent of the said employees, then, at this point in time, no enquiry could be made by the employer into the matter of the desire of the said employees to be governed by the said working agreement.

In his correspondence, Mr. Neal clearly indicated that he concurred in the fairness of the Board's proposed agreement, but that the position of the employer was simply as stated above. In fact, Mr. Neal went further by stating that the employer would implement all the Board's suggestions, but would not execute the agreement until the check-off cards were filed by the union.

Subsequently, Mr. Neal acknowledged that the Board had no right to make any enquiry into the matter of the desire of the employees to be governed by the collective working agreement, and acknowledged that he was aware of section 18 of the Act.

Yet Mr. Neal, on behalf of the company, subsequently maintained that the filing of the check-off cards was essential to the execution of the agreement and amplified this position by saying "there is at least a continuing obligation on the part of the union to be representative and that an agreement signed in a vacuum would be an imposition on both the employees and the company."

The Board's opinion, simply stated, is that the employer and Mr. Neal are completely wrong in their position. In the Board's view it would be a ludicrous situation to accept such a view and thus bring about the situation that a union, once properly certified as a bargaining agent, would have to prove at any and all points in time to the employer that it was representative of those employees. Not only would this negate the whole principle enunciated so clearly in the Act, but it would render useless those provisions that make available to the employer and the employees the right to apply for the revocation of the certification of a bargaining agent that is, in their opinion, no longer truly representative of the concerned employees.

This Board's report, therefore, is submitted in two parts. The first part is the attached draft collective working agreement that basically is the proposed solution put forward by this Board to the parties and accepted by them. This agreement, however, shall be amended in one respect, namely: article No. 4, checkoff.

The reason for this amendment is that the union originally requested the Rand Formula with 30-day deferment for new employees. In the give and take of bargaining between the parties, and before this Board, compromise was required on the part of both parties, and finally agreement was reached on a check-off provision irrevocable during the term of the agreement, provided that the parties did reach and enter into such an agreement.

To saddle the union with the position dictated by compromise, in view of the failure of the company to live up to its undertaking and execute such agreement, and in view of the actions of the company throughout these several months, would be quite unfair.

This Board is of the opinion that the said article should be amended to provide for the Rand Formula with 30-day deferment for new employees. If any dispute arises as to the wording of such provision, this Board reserves to itself the right to formulate the wording of same.

The second part of this report relates to assurances given to this Board by a representative of the employer. These assurances are as follows:

The employer (company) through W.S. Neal, secretary-treasurer, assured this Board that it was the policy of the employer (company) that

- (a) The employer (company) does not and will not discriminate against any employee by virtue of such employee becoming a member of the union; and
- (b) The shop steward of the union is free to sign up an individual employee as a member of the union on the premises of the employer (company) during the lunch hour period.

This Board wishes to express its great appreciation to Conciliation Officer J.D. Meredith of the Canada Department of Labour, who had endeavoured to conciliate the disputes between the parties and whose report as to the whole situation was exceptionally lucid and of inestimable value to this Board.

The Board also wishes to record its appreciation to Mr. Neal and Mr. Glenn for the company, and Mr. Benner and Mr. Sweeting for the union (Mr. Sweeting having attended the sitting of the Board in June) for their assistance to the Board.

The Board is frank to admit that it is disappointed that an agreement was not finalized between the parties. However, everything that could be done by this Board was done and one can only hope that the aura of distrust and suspicion that appears

to have thwarted success in this particular instance will soon disappear and that the parties will be able to live with each other in a meaningful and valuable relationship.

Dated this 8th day of August, 1967

(Sgd.) R. A. Gallagher,  
Chairman.

(Sgd.) R. T. G. McBain,  
Member.

#### MINORITY REPORT

I am in agreement with most of the report prepared by the chairman and signed by R. T. G. McBain.

However, I cannot agree with the majority's proposed amendment to the draft collective agreement. The members of the Board have not actually met since the company took its position, described in the majority's report, and therefore have not discussed the proposed amendment.

Without the benefit of such discussion, I was faced with the proposed amendment for the first time when the report prepared by the chairman and signed by Mr. McBain arrived on my desk.

My recollection, confirmed by notes on the two meetings of the Board with the parties, is that no detailed discussion occurred as to the question of union recognition and checkoff. The draft collective agreement did not reflect the original wish of the union, which was that the Rand Formula be applied.

The draft collective agreement embodies a package of points that the Board proposed to the parties at their first meeting that, in toto, was regarded by the members of the Board as reasonable. It seems to me that to vary the proposal as to union recognition and checkoff is in the nature of imposing a penalty upon the employer for its recent attitude. Had the Board not attempted to obtain an executed collective agreement and had submitted its report to you following the first meeting, it may be that the unanimous report of the Board would have been point for point as then proposed to the parties. Certainly, had the Board submitted its report at that point I would not, in the light of the apparent generosity of the employer as to wages, have recommended the application of the Rand Formula. For me to change my opinion, merely because of a position taken by the employer since then, would in my opinion be illogical.

Therefore, on that point alone, I do not agree with the majority of the members of the Board.

(Sgd.) D. C. McDonald,  
Member.

#### ARTICLE OF AGREEMENT

##### Article No. 1, Scope

This agreement shall apply to all employees of the company described as a unit of employees under a certificate issued by the Canada Labour Relations Board dated July 29, 1966, namely: cleaner man, elevator helper, laborer, shipper, warehouseman, utility man, truck driver, night watchman.

Excluding office employees, feed salesmen, feed salesman and seed buyer, millwright, superintendent of feed plant and grain elevator, foreman, subforeman, grain buyer (elevator), and employees of McCabe Seeds Limited. Employees in the bargaining unit shall not be replaced by supervisory personnel to defeat the terms and conditions of this collective agreement.

##### Article No. 2, Company Rights

The union acknowledges that it is the right and function of the company to:

- (a) Operate and manage the business in all respects.
- (b) Maintain order, discipline and efficiency.
- (c) Direct the working force.
- (d) Hire, promote, demote, transfer, lay off because of lack of work, recall, discipline and discharge for just cause, any employee.
- (e) The union and its officers will endeavour to have any employee who is a member of the union observe and comply with the directions of the company in the carrying out of work allocated to such employee. The union and its officers will not authorize or condone any violation of this agreement by union members either individually or collectively.



### Article No. 3, Union Recognition

The company recognizes the union, during the term of this agreement or any renewal thereof, as the exclusive representative of the employees for the purpose of collective bargaining, with respect to hours of work, rates of pay and other conditions of employment as set forth in this agreement.

### Article No. 4, Checkoff

To be amended.

### Article No. 5, Seniority

- (a) Seniority shall be established from the date an employee last enters the service of the company.
- (b) In all cases of promotion, demotion, lay offs and applications for vacancies or a new position, the company shall consider seniority, merit, ability and potential development: where two or more men are relatively equal in terms of merit, ability and potential development, seniority shall govern.
- (c) An employee shall lose all seniority rights when he:
  - (i) terminates his employment;
  - (ii) is justifiably discharged;
  - (iii) is laid off by the company for a period exceeding two consecutive calendar months;
  - (iv) fails to return to work within one week after notice of available work has been sent by registered mail to his last address on record with the company;
  - (v) fails to return to work following the expiration of an approved leave of absence.

### Article No. 6, Leave of Absence

- (a) Leave of absence, requested by an employee, may be granted by the company, to an employee, on such terms and conditions as the company may determine.
- (b) All leaves of absence shall be in writing and signed in triplicate by the company and the employee. One copy shall be retained by the company, one copy shall be given to the employee and one copy shall be forwarded to the union. All leaves of absence shall be without loss of seniority rights.

### Article No. 7, Shop Stewards

There shall be elected from the employees, two shop stewards.

### Article No. 8, Grievance and Arbitration

If an employee or group of employees has a grievance, then an earnest effort shall be made by both parties hereto to settle the grievance without delay. Such grievance shall involve any dispute between the company and the union as to the interpretation, application or alleged violation of the terms of this agreement, and/or concerning any employee or group of employees who feel they have been unjustly dealt with in the application of any of the provisions of this agreement. The matter may be taken up in the following manner, no later than two working days after the grievance has arisen, except in cases specifically involving rates of pay, when the above two days shall apply after receipt of the first cheque after the alleged grievance.

Step one, by an employee, accompanied if so desired by a shop steward, with his foremen, failing settlement within two days, then step two.

Step two, in writing, within two days, with the plant manager, by a shop steward, accompanied if he so desires by the union representative. Any meeting held at this stage must be attended by the aggrieved employee, if required by either party.

The decision reached by the company at step two shall be given in writing within five days, and the union shall advise the company in writing of its acceptance or rejection of such decision within five days. Failing agreement between the company and the union within a further five days, then step three, by submission to arbitration as per article No. 9.

Any difference arising directly between the company and the union as to the interpretation of this agreement may be submitted in writing by either party to the other at step two instead of following the regular grievance procedure.

### Article No. 9, Arbitration

- (a) When either party decides to submit a grievance to arbitration, as per article No. 8, then the other party shall be so advised in writing. The company and the union shall then each appoint an arbitrator within five days. The two arbitrators so appointed shall meet immediately, and they shall endeavour to agree upon a third arbitrator to act as chairman of the arbitration board. If the third arbitrator be not chosen within a further five-day period, the federal Minister of Labour shall be requested to appoint an impartial chairman.

- (b) Each party shall pay the remuneration and expenses, if any, of the arbitrator appointed by such party, and the remuneration and expenses of the chairman, if any, shall be borne equally by the company and the union. Witness fees and allowances shall be paid by the party calling the witness.
- (c) The board shall not make any decision inconsistent with the terms or provisions of this agreement, nor alter, modify or amend any part of this agreement.  
A majority decision shall be the decision of the board, and the decision shall be final and binding on both parties.
- (d) It is the desire of the company and the union that the arbitration proceedings be expedited, and to that end, the arbitrators appointed by both parties will request that the board's decision, in writing, will reach both of the parties within 30 days of completion of the hearings.

#### Article No. 10, No Strike or Lockout

The union agrees that there shall be no strike, or stoppage of work, during the life of this agreement. The company agrees that there shall be no lockout during the life of this agreement.

#### Article No. 11, Hours of Work

- (a) The regular hours of work shall be eight each day, on five consecutive days each week. Work shall not normally be scheduled for Sundays.
- (b) The day shift shall be from 8:00 a.m. to 4:30 p.m., with one half hour lunch period, or from 8:00 a.m. to 5:00 p.m., with one hour lunch period. There shall be two coffee breaks of 15 minutes each.
- (c) The company agrees to make every effort to notify employees (except in emergencies), at least five working days in advance, of any change in the regular assigned shift schedules.
- (d) Any employee reporting for work on any shift and not having been told on the previous shift not to report, shall be guaranteed a minimum of four hours work in the first half of the shift at his regular rate of pay. If requested by the company, he shall perform a minimum of four hours of such available work as the company may assign.
- (e) All employees working on regularly scheduled hours during the evening and night shifts shall be paid a premium of five cents an hour, respectively, for all hours so worked, in addition to the regular rate of pay: this provision is to take effect from the 1st day of May, 1967.
- (f) Effective May 1, 1967, all hours worked beyond eight hours each day or 40 hours each week shall be paid for at the rate of time and one half the regular rate of pay, and all hours worked in excess of 48 each week shall be paid for at double the regular rate of pay.

#### Article No. 12, Vacancies and Promotions

When the company decides that a vacancy has occurred, or a new position created, having a rate of three cents an hour or more above the general labour rate, the company will post such vacancy or position for a period of two days, and after filling such vacancy or position, post the name of the employee appointed.

#### Article No. 13, Annual Vacations

- (a) Those employees with one year of service shall be entitled to two weeks annual vacation with pay.
- (b) Those employees with more than 10 years of service shall be entitled to three weeks annual vacation with pay.
- (c) Those employees with more than 20 years of service shall be entitled to four weeks annual vacation with pay.

#### Article No. 14, Statutory Holidays

- (a) Every employee on the pay roll on which a holiday falls and who has worked the last scheduled day before and the first scheduled day after the holiday shall be entitled to the following statutory holidays with pay:

New Year's Day,  
Good Friday,  
Empire Day,  
Dominion Day,  
Civic Holiday (Aug. 1),

Labor Day,  
Thanksgiving Day,  
Remembrance Day,  
Christmas Day.



- (b) Should any of the above holidays fall on a scheduled day of rest, the employee shall be granted a holiday with pay at some other time that may be by way of addition to his annual vacation or granted as a holiday with pay at a time convenient to him and his employer.
- (c) Employees required to work on any of the above holidays shall be compensated for such work at time and one half his regular rate, plus the pay for the holiday.

#### Article No. 15, General Conditions

- (a) The pay period for all employees covered by this agreement shall be the 1st and the 15th of each month.
- (b) The company agrees to pay the sum of \$1.60 for each completed month of service, in connection with M.S.I. coverage or any substituted or successor medical plan, for all employees hired after May 1, 1967. Provided that, with regard to employees hired before May 1, 1967 the company will continue to make the same contribution each month in this connection for each of such employees as it was making prior to May 1, 1967. In this clause a "completed month of service" shall be deemed to exist where an employee has worked a majority of working days in any calendar month.
- (c) Officers of the union can only visit the plant and premises of the company when authorized to do so by the company.

#### Article No. 16, Rates of Pay

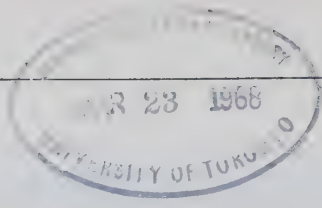
- (a)

Utility Man .....	\$2.00 an hour
Shipper .....	\$2.10 an hour
Truck Driver .....	\$2.00 an hour
Warehouseman .....	\$2.00 an hour
Cleaner Man .....	\$2.00 an hour
Elevator Helper .....	\$1.95 an hour
Watchman .....	\$1.60 an hour
General Labour .....	\$1.90 an hour
(after 60 days service)	
General Labour .....	\$1.60 an hour
(first 30 days service)	
General Labour .....	\$1.75 an hour
(second 30 days service)	
- (b) Effective from August 1, 1967, there shall be a seven per cent across the board increase in rates of pay, calculated on the hourly rates set forth in sub paragraph (a) above.

#### Article No. 17, Duration of Agreement

This agreement shall come into effect on May 1, 1967, and shall remain in full force and effect until July 31, 1968, and thereafter on a yearly basis until terminated by either party giving the other party notice in writing not less than 90 days prior to July 31, 1968.

If amendments are desired by either party, to become effective on the anniversary date, the party proposing such amendments shall give notice in writing thereof to the other party, not less than 90 days before the 31st day of July, in any year, and negotiations on such amendments shall be commenced within 20 days of the receipt of said notice.



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# CONCILIATION BOARD REPORTS



Conciliation Board Reports in disputes between

Canadian Lake Carriers Negotiating Committee and Seafarers' International  
Union of Canada

Canadian National Railways (Borden-Cape Tormentine Ferry Service) and  
Canadian Merchant Service Guild

Canadian National Railways (Canadian National Newfoundland Steamship  
Service and Yarmouth-Bar Harbour Ferry Service) and Canadian  
Brotherhood of Railway, Transport and General Workers.

A LABOUR GAZETTE SUPPLEMENT



CANADA DEPARTMENT OF LABOUR

Hon. John R. Nicholson, Minister

George V. Haythorne, Deputy Minister





## CONCILIATION BOARD REPORTS

### Report of Board of Conciliation and Investigation established to deal with dispute between

Canadian Lake Carriers Negotiating Committee  
and  
Seafarers' International Union of Canada

The Board of Conciliation and Investigation established to deal with a dispute between 26 shipping companies represented by the Canadian Lake Carriers Negotiating Committee and the Seafarers' International Union of Canada was under the chairmanship of Dr. Louis Fine, Toronto. He was appointed by the Minister in the absence of a joint recommendation from the other two members of the Board, J.W. Healy, Q.C., Toronto, and Emile Boudreau, Sept Iles, Que., who were previously appointed on the nomination of the companies and the union, respectively. A minority report was made by Mr. Boudreau. The reports were received by the Minister of Labour in July.

The companies involved in the dispute were Algoma Central Railway Company, Anticosti Shipping Company, Bayswater Shipping Limited, Beaconsfield Steamships, Branch Lines Limited, Canada Cement Transport Limited, Canada Steamship Lines, Carryore Limited, Davis Shipbuilding (Tugs) Limited, Eastern Lake Carriers Limited, Hall Corporation of Canada, Hindman Transportation Company Limited, Labrador Steamships Company Limited, Leadale Shipping Limited, Mohawk Navigation Limited, Ocean Lines, Papachristidis Company Limited, N.M. Paterson & Sons Limited, Quebec & Ontario Transportation Company Limited, Redwood Enterprises, Reoch Steamship Company Limited, Scott Misener Steamships Limited, Transit Tankers & Terminals Limited, Winona Steamships, Westdale Shipping Limited, Yankcanuck Steamships Limited.

The companies represented in these proceedings comprise (with the exception of one major company) the whole of the industry, operating some 170 vessels, designed for the carriage of bulk liquid and dry cargos, including some self-unloading bulk carriers and a relatively small number of package freighters. Approximately 5,000 employees are engaged as unlicensed personnel aboard these vessels and are divided into four main classes: deck department, engine room department, steward's department, and special trades classifications.

The ships are engaged in the domestic trade of the Great Lakes, the River and Gulf of St. Lawrence and the East Coast of Canada, carrying principally grain, iron ore, coal, petroleum products, pulpwood and paper.

The ships vary widely in age, size and nature of their usage. For example, almost 50 per cent are small (i.e., less than 4,000 tons), and 50 per cent were built before 1950. Compared with these, 20 per cent are relatively new vessels and range in size upwards to 25,000 tons.

The Board members were most aware of the responsibilities entrusted to them, i.e., to endeavour to achieve a peaceful settlement of this dispute or, expressed in another way, to avoid a costly disruption of the shipping industry, costly not only to the disputants but to the economy of Canada itself. We were conscious of the aims and aspirations of the union members - of their employment conditions, such as the seasonal nature of their work, of their confinement to the ship and limited leisure conditions away from home and family. Similarly, we were conscious of the difficulties that face the Canadian shipping companies in competing at present with "foreign bottoms" and subsidized railroad facilities, alternative routes via American ports for grain and iron ore, and, in the case of iron ore, ships twice the size of the largest ships in the Great Lakes system.

Admittedly, the parties have their problems but this Board would be remiss in its duties if it did not record its convictions that no useful or sensible, let alone constructive, collective bargaining took place before this Board was seized of its responsibilities. The original demands of both parties were literally handed to this Board to resolve and, with all due respect to their representatives, it is sheer nonsense to call upon a Board to resolve a myriad of items, many of which were not even touched upon by the parties themselves before approaching this Board. We were informed that the parties met for a matter of minutes on March 1, when the union presented a 75-page document. Later, on April 4, 5, and 6 they reviewed the union proposals for clarification.

With respect, sir, there was a responsibility on the part of the companies and of the union, as indeed there was on the conciliation officer, to seek to continue meetings in the hope of achieving settlement on some of the issues. Your Board might well have had before it a much more limited number of items and would have been able to devote more of its time and energies to the critical issues.

By way of further comment, if this Board has erred in any way in its recommendations, some fault may well be attributed to the human failings inherent in all of us, but much must be laid at the feet of the disputants for their failure to discharge their own responsibilities for their own welfare.

Turning now to the issues in dispute: Of the many and varied, oft-times involved and complicated issues, this Board is pleased to report, sir, that tentative settlement was reached on a substantial number. We are satisfied that if agreement is to be reached by these parties then these provisions, heretofore resolved, must be regarded as part and parcel of it. In order that there may be no misunderstanding, this Board is attaching to this report copies of all such provisions agreed upon. They were initialled by representatives of both parties and by the chairman. (See provisions, p. 13 )

Turning now to the matters that were unresolved, may we note the issue, together with our observations and specific recommendations.

#### 1. Joint union-management administration of the hiring hall

The proposal in this regard was put forward by the companies. It was directed toward establishing some participation on their part in the hiring function.

We are indebted to the maritime trustees for their illuminating reports on their activities with these two parties and believe that we had a valuable source of information to assist us in assessing the relative merits of many of the issues between the parties. In regard to this matter, and after having heard the representations of the parties, we would recommend to them that they establish a joint labour-management committee to review the problems inherent in the present arrangements, and seek to formulate rules and regulations for the registration and deregistration of seamen, as well as for machinery for the objective interpretation and review of these rules.

#### 2. Seniority and promotions

This, too, was a proposal put forward by the companies and related to the present contractual provisions wherein there is an undertaking on the part of an employer, at the close of one season, to offer employment at the beginning of the next season. In two provisions reference is made to an assurance of employment on the same ship, "whenever possible," whereas in another, reference is made to an assurance of employment with the same company. Further, in a subsequent clause, reference is made to rehiring being on the basis of skill and ability, with seniority with the company governing where these factors are equal.

We recommend that the provisions of article 9 (a) be revised so as to recognize that an employee who has given satisfactory service during the previous season shall be given the assurance of resuming employment in the spring with the same company and, subject to the provisions of article 9 (b), on the same ship.

#### 3. Cleanliness of quarters

At our last meeting with the parties, the union took issue with the companies' proposal in regard to cleanliness, lighting and ventilating of the quarters of the crew, particularly because of the proposed words: "insofar as it is practicable to do so." We recommend that the matter be disposed of on the basis of that proposal, but with the elimination of the words in question.

#### 4. Meals, coffee time and lunches

We were given to understand that settlement was reached on all matters in issue in respect to these provisions, save and except insofar as specified meal times might be varied at the direction of the master of the ship. The union apparently objects to their being a contractual recognition of the need of the master to vary, on occasion, the exact time of the meal hour, to meet the exigencies of the occasion, be it the weather, the approaching of or the departure from a canal or dockside.

The Board recommends that the present language in this regard be retained, but that it be recognized that while the master may so direct, nevertheless he shall not exercise his judgment in an arbitrary or a discriminatory manner.

#### 5. Pensions

The present pension plan is one initiated only during the past year and then only after extended arbitration. Notwithstanding its recent introduction, the union seeks substantial revision in, among other provisions, costs, benefits, eligibility and control.

We were satisfied that the present plan should be continued in its present form with but one revision, namely, the present qualifying period of 5 years, or 1,350 days. In our opinion, that is entirely too long a period for employees to qualify and we recommend that it be reduced to 1 year, or, 270 days.

In addition, we should point out that in our opinion the parties might well consider an undertaking to review and reassess their actual experience and the positive expectancies of their present plan, prior to their next negotiations. We would submit, as a suggestion, that they undertake such a review approximately six months prior to negotiations and thereby have available to both of them, before formulating proposals for a new agreement, an accurate actuarial appraisal of the plan and of the rate of contributions required.

#### 6. Welfare plan

While we did not have before us any initialled document, we were given to understand that the issues in this regard were resolved by the parties, and the companies are to increase their contributions from 35 cents for each man each day to 50 cents for each man each day;



## 7. Manning

Undoubtedly this is one of the most contentious issues between the parties and was in no small part the issue that produced a stalemate in your Board's efforts to achieve a settlement. The issue appears to be at the root of the union's demands for clauses pertaining to "manning scale," to "engine department," to "stewards' department," and to "work performed by other than unlicensed personnel."

We can best reiterate the views expressed by the maritime trustees in their 1965 and 1966 reports, i.e., that the manning problem is too often obscured by union charges that the ships are unsafe because they are undermanned, and the employer counter-charges that not only is the determination of crew size a management function and responsibility, but the demand is put forward by the union -- not for reasons of safety -- but to justify "featherbedding." Coupled with those positions is a determination on the part of the union to restrict the work that can be performed by employees in hours other than between 8 a.m. and 6 p.m., and the employers' desire to remove those restrictions so that any work may be performed that could not be judged unsafe, or a matter of inconvenience, to the crews asleep in their quarters at night.

We were satisfied that the parties must accept their own responsibilities for the safety of the ship. If they fail to reach agreement, they should accept adjudication either by an independent tribunal or a tripartite tribunal made up of a management representative, a union representative, and an independent chairman, that would have the power to determine the crew size, having regard to the safe over-all operation of the ship. Such a review board would have to retain authority to revise rulings so as to reflect changes in methods and equipment for the handling of ships and their cargos, as well as to determine what work might be performed during certain hours by those crews that were adjudged minimal for purposes of safety.

## 8. Wages and hours of work

We dealt with these matters together, inasmuch as the parties were in full agreement that many of the union's proposals relating to hours of work would have a direct impact on the earnings of the employees, and hence could be said to represent forms of wage increases.

The parties have in previous agreements, as well as in this one, endorsed a system of payment that can best be described as unique. In the words of the trustees: "The rather unusual wage pattern, predicated on a 240-hour month, when in fact a 160-hour month is worked, engenders almost endless confusion."

An employee may work only five days each week, Monday through Friday, yet get paid a days wages for both Saturday and Sunday. If he does work on one or both of the latter days, he is then paid an additional one half days wages. According to one interpretation, he is thereby paid time and one half. However, since he draws only one half days pay more for working than he would receive for not working, there is the second interpretation advanced, that he is working for one half of a regular days pay. We should add that the same situation applies to statutory holidays.

A second issue arises out of the provisions of the Canada Labour (Standards) Code. The companies have sought to accommodate the industry to the provisions relating to hours worked in excess of 48 hours in a week. On the other hand, in view of the provision of the Code that an employee should be given at least one full day of rest in seven, the union has proposed that an employee be credited with a days leave (with pay) clear of the ship, each week, to be taken at the discretion of the employee and at the convenience of the master, at any time, or paid in cash at the time of the layup of the ship or upon termination of employment.

The proposal of the companies would provide an employee with leave credits, equal to his accumulated hours of work in excess of a total equal to 48 times the weeks of work in the period, so as to thereby reduce his actual hours worked in the period to an average of 48. That, apparently would comply with the Code if the Minister were to permit of an averaging period of 18 weeks, compared with the 13-week averaging period that does not require any approval.

The proposal of the union would, in effect, be a bonus of a days pay for each week in which the employee served aboard a ship, in addition to his regular wages, overtime payments and vacation entitlements. The leave might well be taken immediately, or accumulated indefinitely until the end of the season.

The provisions of the Code do not envisage payment for any day of rest or for time off with pay when an employee works in excess of 48 hours in a week or averaged over a period. It is equally obvious that the Department is aware of the problems arising out of the application of the Code to such industries as this one, for it has granted deferments withholding the application of the Code in all of its detail.

To this extent the companies went beyond any requirement under the Code, when they offered a days rest, with pay, for seven days worked in a week, albeit averaged over an extended period. In this regard we were not unmindful of the fact that the companies' program could combat a most serious problem of turnover (ranging as high as from 200 per cent to 400 per cent) of staff, and that there could be some efficiencies realized in their operations when employees earn those leave credits.

Still another issue is one relating to the working of the 8 hours in a day, by other than those engaged on watches. It appears that many of the deck crews may be called upon to work any 8 hours of the 24, but with an involved system of "call-out bonuses" whereby an employee is paid additional monies if he is called out to work more than twice before he has completed his first 8 hours in a given day.

In its submission to the Board, the union related some of the history leading to the adoption of the present provisions. It would appear that prior to 1956 the system had simply been any 8 hours in a day. In that year, the union's words, "a breakthrough was made when there was an agreement to reduce the working spread from 24 hours to 16 hours." Later, in 1964, they "lost" when a "24-hour spread was reinstituted and reinforced with a device known as 'call-out' bonus. At that point the union demanded either regular navigation watches or day work from 8.00 a.m. to 5.00 p.m., with an hour for lunch.

Obviously, problems are created in this industry where the times of loading and unloading of cargos, the passage through the canals, etc., are impossible of prior determination or scheduling, at least of any real substance. To have an employee on, say a straight day shift of from 8.00 a.m. to 5.00 p.m., with overtime thereafter, could find him of limited usefulness while crossing Lake Erie, and then upon approaching the Welland Canal at or about 5.00 p.m. become entitled to overtime, while working the boat through the Canal.

To place these employees on a watch system could present other problems, in view of the present restrictions on the nature of the work that can be performed between the hours of 6.00 p.m. and 8.00 a.m. on week days, and on weekends from Saturday 8.00 a.m. to Monday 8.00 a.m. A deck hand on a watch system can apparently be assigned little work, in the restricted hours, other than that involved in navigation and the handling of cargos. An employee on watch from 4.00 p.m. to 8.00 p.m. would have until 6.00 p.m. to do unrestricted work; an employee on the 8.00 p.m. to midnight, or on the midnight to 4.00 a.m. and 4.00 a.m. to 8.00 a.m. watches, would be completely limited; and the employee on the following watch would only then be available to perform unrestricted work.

#### Board's recommendations

From the submissions of the parties it was apparent that they embodied many anomalies to the eyes of those more familiar with "land-based" industries. We should make it clear, however, that we feel that they fall upon the companies as well as upon the employees. What is more important, they flow out of the decisions of the parties themselves to incorporate such provisions in their collective agreements. And it goes without saying that not all of them can be resolved at one time.

We would, sir, propose as a settlement of all of the issues between the parties not otherwise noted herein, that the said parties enter into a new agreement providing for the following:

That the new agreement be effective for a period of three years, and terminate May 31, 1970. The term of three years was a matter of agreement between the parties from the early stages of the proceedings; was the basis of the subsequent discussions leading to the understandings reached, and forms the framework upon which all of the recommendations herein set forth are predicated;

That effective June 1, 1967 there be a general wage increase of 8 per cent, that such increase of 8 per cent also apply to the premium rates for self-unloaders and for penalty cargoes;

That effective June 1, 1967 the companies to increase their contribution to the jointly administered welfare plan from 35 cents for each man each day, to 50 cents for each man, each day.

That effective in this year, 1967, the vacation plan be amended to provide for three weeks of vacation to employees who have completed ten years of service with their company;

That effective as soon as possible the pension plan be revised to reduce the eligibility requirements for participation from five years to one year;

That effective June 1, 1968 there be a further wage increase of 7 per cent, that such increase of 7 per cent also apply to the premium rates for self-unloaders and for penalty cargoes;

That effective June 1, 1968 the premium rate for work performed on Sunday and statutory holidays be increased from the equivalent of four hours pay to 6 hours pay;

That effective April 1, 1969 the companies' latest proposals to accommodate the industry to the Canada Labour (Standards) Code be implemented, but with the averaging period being reduced from 18 weeks to 12 weeks;

That effective April 1, 1969 the "working spread" be reduced from 24 hours to 16 hours with the elimination of any reference to "call-out bonuses;"

That we are not unmindful of current settlements in other industries, and of the possible impact of the proposed settlement (including the items resolved by the parties with the assistance of the Board) on an industry which, as submitted by the companies, may well be hard pressed in its efforts to survive. In total, it will exceed other settlements among other segments of the Canadian transportation industry. In making our recommendations, however, we have felt obliged to give effect to representations of the parties in respect of the Canada Labour (Standards) Code. When we estimate the package to materially exceed 30 per cent, we hope that our recommendation for a settlement will produce a peaceful solution to the inland shipping industry of Canada; and

That all other provisions of the prior collective agreement not referred to herein will be incorporated in the new collective agreement.

Dated at Toronto, this 25th day of July, 1967.

(Sgd.) Louis Fine,  
Chairman.

(Sgd.) J. Wilfred Healy,  
Member.



## MINORITY REPORT

I have read a draft of only part of the chairman's report, but I have discussed fully with him our views (mutual or respective, as the case may be) on all matters that remain unresolved in the above-mentioned dispute. Not having read the chairman's report in its final form, and without knowing if the company nominee will sign with the chairman or will choose to write his own report, I will have to base myself on what I have seen of the draft report, and on my discussion with the chairman on the remaining items.

There was agreement among the members of the Board, following the hearings, that there remained only the following items in dispute:

Joint hiring halls, seniority and promotions, cleanliness of quarters, meals, coffee time and lunches, hours of work, stewards department, pension plan, wages, shore leave, work performed by other than unlicensed personnel, self-unloaders, engine department, manning.

It gives me great pleasure to state that I concur with the preliminary remarks made by the chairman in his report, and also with his recommendations regarding the following items:

Joint hiring halls, seniority and promotions, cleanliness of quarters, meals, coffee time and lunches.

I am also in agreement with the part of the chairman's report dealing with the matter of the welfare plan. Although no initialled document was filed with the Board, both parties stated during a regular session of the Board that agreement had been reached on the subject.

With regard to penalty cargo and to self-unloaders: The parties agreed in the presence of the Board that the only issue in dispute regarding the penalty cargo proposal was the matter of the rate of pay. New wording was drafted and agreed upon between the parties (but not initialled for the Board), and it was agreed that the rate (now \$18.77) will be increased so as to reflect whatever package will effect the settlement of the dispute on the agreement as a whole. In view of this, the chairman of the Board and myself were in agreement that the issue of self-unloaders should be treated in the same manner and that the rate to be paid in excess of the monthly rate in the case of "self-unloaders" (now \$13.38) should be readjusted to reflect the monetary settlement on other items. I submit that in both cases the readjustment should be made retroactive to June 1, 1967 and I feel sure that meets with the chairman's views.

On the matter of statutory holidays, it was the understanding of the chairman of the Board, and I agree with him, that the parties agreed that the article remain unchanged, except that whatever settlement is reached on the "pay for Sunday work" will also apply to statutory holidays.

On the other unresolved items, I regret to say that I have been unable to reach full agreement with the chairman as to how those items should be disposed of, and I wish to submit my own recommendations. But, before doing so, I would like to preface my report by adding a few remarks of my own to the opening remarks made by the chairman.

During the hearings held by the Board, it was increasingly evident to me that the dialogue between the parties, which is the basis for normal labour relations, was seriously impaired, to say the least. It appeared to me that one of the main reasons for that state of affairs was that there was no apparent homogeneity in the employers' group. In fact, the so-called "negotiating committee" appeared to me as not being a negotiating committee at all, but an amalgamation of people commissioned by all of the companies in the group, each one of them having to get approval from his principals before making any kind of a decision, even on matters that are commonly considered as "minor items," which, in the normal process of negotiations and conciliation, can easily become both frustrating and time-consuming. Under those circumstances, it is not surprising that the Board had to deal, from the start, with such a "myriad of items" as mentioned in the chairman's report. I really can not visualize how, under those conditions, the union committee (or the conciliator) could have done the "clean up" work that would normally be expected of them before the dispute on the main issues was submitted to a board of conciliation if help was still needed. True, many of those items were settled during the Board's hearings by subcommittees established by the parties at the request of the chairman. But I submit that a close examination of those so-called "resolved" items will reveal that in the great majority of cases they were "resolved" because the union, in order to narrow down the issue, agreed to go back to the provisions of the former agreement. In my view, the union's proposals on those matters were the expression of genuine dissatisfaction with present contractual language and with conditions deriving from that language. Had there been what I would term "real negotiations" with an employer's committee, authorized at least "to recommend" without each of its members having to check with his "principals," I feel that mutually profitable improvements could have been achieved in many areas.

It seems to me that both parties (in fact, all parties concerned) would benefit from improved relationship and the introduction of meaningful dialogue. How this can be accomplished, I do not know. But I suggest that in that field, most of the "soul-searching" should be done by the companies, individually and collectively.

I will now deal with the items in dispute on which there is no agreement between the chairman and myself, in the order in which they appear at the beginning of this report:

### Hours of work

The issue of "hours of work" must, for the purpose of discussion, be divided into four "subissues." They are:

1. The "work spread" issue, i.e., the period of time within which the regular 8-hour day shall be worked (ex: 8 consecutive hours -- 8 in 12 -- 8 in 16 -- split shifts, etc.): This, in turn, brings out the issue of "restricted" and "unrestricted" work.

2. The "basis for calculating overtime" issue, i.e., the "factor" that will be used as a divider of the monthly rate in order to calculate the hourly rate for overtime;
3. The "pay for Saturday and Sunday work" issue; and
4. The "shore leave" (or "day of rest" or "layday") issue which, in my opinion, derives both from the "day of rest" provisions of the Canada Labour (Standards) Code and from existing practices for "pay for Saturday and Sunday work" mentioned above.

Before dealing with the foregoing items, I think it would be useful to examine the whole matter of "hours of work" as it applies to this industry. In order to do so, I trust I will be permitted to call upon an authority in that field. In May 1966 faced with a serious dispute between the shipowners and the unions representing employees in the marine industry, the Government of Great Britain appointed a court of inquiry, under the chairmanship of Rt. Hon. Lord Pearson, C.B.E., to inquire into causes and circumstances of the dispute: terms and condition of service of seamen; relations between shipowners, officers and seamen; and, the law. The hearings of that court of inquiry lasted more than eight months. Views were submitted to it by 9 representative organizations; 15 shipping companies; 4 individuals; and 6 government departments. The court of inquiry issued its report on February 10, 1967. I think it is highly interesting, for the purpose of this discussion, to take a look at what Lord Pearson's report had to say about the matter of hours of work: (The underlines are ours)

93. The dispute which was the occasion of our appointment arose out of a difference concerning the nominal hours of work of ratings. The previous agreement, which had run since March 1965, had attempted to differentiate between conditions at sea and in port by providing that a rating should be entitled to his standard weekly wage for a 56-hour week at sea and a 40-hour week in port. This proved unacceptable and the agreement which brought the dispute to an end provided for the introduction, in two stages, of the 40-hour week at sea as well as in port. At present, following the first stage of the settlement, the basic working week at sea is 48 hours. Hours worked above the standard working week in port or at sea are paid as overtime. Some officers are also entitled to overtime pay, but the majority, approaching three-quarters, receive compensation for long hours worked at sea in the form of a fixed number of additional days of leave, although by mutual agreement any entitlement to leave can be commuted for payment. The officers' agreements have not yet been revised to bring them into line with the ratings' settlement.

94. During the first stage of our Inquiry we heard arguments from both the Federation and the National Union of Seamen on the vexed question of overtime. The National Union of Seamen argued that the hours worked at sea were excessive and that they could and should be reduced. The Federation contended that, although they did not dispute that some small reduction in hours of work might be possible in some cases, ratings actively sought the opportunity to work overtime, generally were willing to work the long hours which were necessary to operate ships seven days a week while at sea and would in fact be dismayed if any significant reduction in overtime was achieved. They further contended that a reduction in overtime hours would not necessarily produce savings in costs because additional maintenance work might then have to be done in port at greater cost and ships would spend less time at sea.

95. We have concluded that the 40-hour week (at present the 48-hour week) will not in fact be worked at sea nor does anyone in the industry intend that it should be. Watchkeeping to meet the operational needs of ships will continue to be on a basis of 56 hours, that is an eight hours' watch on each day of the week, and a great deal of maintenance will continue to be carried out by both watchkeepers and day workers in overtime hours. On passenger ships and virtually all other vessels the catering department will also be required to work hours well in excess of the basic working week. The berthing and sailing of ships cannot be timed in what might be considered normal hours of employment and will give rise to further overtime. If overtime were to be reduced at all substantially, ships would have to carry very much larger crews, which would require additional accommodation and catering facilities. The cost of shipping operations would in consequence increase substantially.

96. Moreover, we have concluded that as overtime earnings at present constitute a very substantial part of the total remuneration of ratings, any attempt to cut out overtime would result in the loss of existing crews because they have come to expect overtime and the additional pay that goes with it. With the narrow limits placed on his leisure activities, the seaman is prepared to work long hours at sea, especially if he can thereby accumulate additional money to spend when he has leisure on shore. One example of many of which we have heard illustrates this point. On one particular operation one company requires all ratings to work an obligatory 25 hours of overtime a week while the ship is at sea. This obligation is known to the ratings before they join their ships and is readily accepted. It no doubt constitutes a guarantee of additional earnings on the voyage. But over and above these additional hours, further hours of overtime can be worked on a voluntary basis. On average, each rating in this company in practice accepts a further 12 more hours of overtime, making a total working week of 85 hours.

97. The 56-hour week at sea was an attempt to recognise the particular nature of seagoing employment, but even this went only part of the way. The volume of overtime appears to be governed by the type of trade and voyage and, emergencies apart, to be fairly regular. As we showed in our first Report, ratings on foreign-going ships average a 66-hour week and those in the home trade average about 74 hours. In many cases these average figures are substantially exceeded. A seaman who signs on for a given voyage is not therefore really committing himself to a 48-hour week, or for that matter a 56-hour week, with incidental overtime. He is in practice arranging to work for sixty or seventy or more hours a week, and both parties understand this.



98. From what we have said above we think two points emerge clearly. First, as to the alleged "40-hour week": this is fictitious in the sense that it is not intended to affect the actual number of hours worked in a week. It does not belong to the subject of regulation of hours of work. If some seamen were working for too many hours in a week, that might be a good ground for imposing some limitation on the total hours of work (or on the overtime hours, which would have the same effect) but it would not be any ground for a reduction of the 40-hour week, because that would not bring the seamen any relief from their excessive toil; it would only bring some more money. The 40-hour week belongs to the system of calculating wages. It means that the seaman receives only his basic wage for up to 40 hours work in a week, and for any additional hours he receives overtime pay. Reduction of the 40-hour week to a 39-hour week would simply give him one more unit of overtime pay. Secondly, it is clear that a substantial amount of overtime work (i.e., work considerably in excess of 40 hours per week) is natural in this industry and beneficial to both parties. It benefits the employers because they can operate with a smaller crew, and because they can have work done more cheaply at sea than with shore labour. It benefits the seaman because usually he would rather have additional earnings than leisure time at sea.

Lord Pearson ended his remarks on "hours of work" by suggesting that at some time in the future, the parties should attempt to agree to "consolidation" of the monthly rate to reflect "normal" overtime worked at sea.

It is interesting to note that in the Canadian shipping industry (inland) there was, some time ago, an attempt made by the parties to "consolidate," as suggested by Lord Pearson. However, the parties did not go all the way. They recognized in their agreement (and this is not in dispute) that "the normal work week shall be five days of eight hours a day, Monday through Friday," but they established a factor of 30 days a month (240 hours) for the calculation of overtime, and furthermore, they ended up with a system whereby when a seaman works on a Saturday or on a Sunday, he gets an additional payment of only half pay as, as the companies' representatives put it: "he is already getting pay for that day in his monthly rate." The result is that the only difference in pay between a man working on a Saturday or on a Sunday, and a man lying on his bed or being on shore leave (when this is possible) is one half hour pay for each hour worked.

The matter has become even more complicated by the adoption, in 1965, of the Canada Labour (Standards) Code, which provides for the establishment of the 40-hour work week, with 8 additional hours permissible at overtime rates, and the "day of rest" provisions with the possibility of "averaging" over a certain period of weeks.

In its annual report for the period January 1, 1966 to December 31, 1966 the board of trustees of the Maritime Transportation Unions have commented at length on the matter of "hours of work" in relation with the implementation of the provisions of the Canada Labour (Standards) Code. I am not going to quote at length from this report, as it has already been filed with the Canada Department of Labour, but for the intelligence of this report I will reproduce here the "summary" of the "Lakes pattern" as seen by the trustees:

1. The basic rate is stated as a monthly figure (e.g., \$360.00 per month), calculated on the assumption that each man works 240 hours a month, being the equivalent of 30 days of 8 hours each.
2. The hourly rate, logically, is calculated on the basis of  $1/240 \times$  the monthly rate, e.g.,  $1/240 \times 360 = \$1.50/\text{hour}$ .
3. Although predicated on a 240-hour base, the monthly wage rate is in some cases actually paid for a 5-day, 40-hour week, excluding Saturdays and Sundays, while in other cases it is paid for a 7-day, 56-hour week.
4. Generally speaking the deck crew is not required to work during the weekend, but the navigation personnel are. In any event, any man who does work on a Saturday or Sunday receives an extra  $1/2$  days pay for that day. The apparent result is that for what would normally be deemed overtime work the man working on Saturday receives  $1/2$  the regular hourly rate instead of  $1\frac{1}{2}$  times that rate. In fact, the additional hours worked by the navigation crew are compensated for by a combination of the extra  $1/2$  days pay and qualified wage rates.
5. Work in excess of 8 hours a day is paid for at overtime rates, being roughly  $1\frac{1}{2} \times 1/240 \times$  monthly rate.

The trustees, after having summarized as quoted above, then remark, and I completely agree with them:

The rather unusual wage pattern, predicated on a 240-hour month when in fact a 160-hour month is worked, engenders almost endless confusion. A wage schedule that reflects employment reality would assist all parties -- even those employed in the industry -- better to understand the industry practices.

I like that "even those employed in the industry." At the beginning of the hearings, I thought I was the only one to be confused. My conviction now is that I am a member of a large club. And if this is so, then I submit that something should be done about it. The trustees have voiced some recommendations that I think both parties should examine very closely. But there is one recommendation that seems to me to be a "must." It is the following:

As a beginning, the parties should adopt a realistic 40-hour week pattern that correctly reflects current practices, adjust the wage rates accordingly, and thus simplify for all concerned the analysis of the hours of work problem.

That, in my opinion, is the key to the whole dispute regarding the hours of work. There has been considerable discussion during the hearings over the fact that reducing the basis for the calculation of overtime from:

$$\frac{1\frac{1}{2} \times \text{monthly rate}}{240}$$

to

$$\frac{1\frac{1}{2} \times \text{monthly rate}}{173}$$

would be prohibitive. The union, during the discussions, stated that it would "set aside" that particular feature of the issue. So, whether, in the face of the total package settlement, the parties adopt arbitrarily the 173 factor or the 240 factor for the calculation of overtime pay does not seem to me to be of prime importance. What is important, in my opinion, is that whatever premium is agreed upon for overtime work applies to all overtime hours, including hours worked on Saturdays, Sundays and statutory holidays. The 173 versus the 240 (or whatever other number of hours the parties agree upon) will undoubtedly come up again in future negotiations, and will form part of the package then. I do not think that we have to worry too much about it at the present time.

I will now deal with the other three "sub-issues" involved in the discussion of "hours of work."

#### Work spread

The practice of "8 hours in 24" as presently applied to employees, other than those on regular watches, appears to me as inhuman and open to all kinds of abuses. It can very easily be used as a club over the heads of the officers in keeping them under pressure to use that system, at the expense of the seamen, in order to cut overtime out altogether, or at least to keep overtime down as low as possible. I think that the proposal made by the union for "day work" or "watches" (4 hours work followed by 8 hours off) is a reasonable one, and I would so recommend. This, however, brings out the matter of restricted work. It was never made clear to me during the hearings what restrictions the companies wanted lifted during hours other than "day work" hours. Inasmuch as I can understand, the only present restrictions that the companies would like lifted, or at least softened, would be the ones about "painting and soogeeing". It seems to me that in return for the establishment of a sensible "work spread" system, the union could come to an agreement in softening restrictions on "painting and soogeeing" at least during daylight hours, inasmuch as it does not affect the safety of the ship and the comfort of employees resting in crew quarters.

#### Pay for Saturday and Sunday work; shore leave

There is no question in my mind that, where an agreement states, as this one does, i.e.:

it is agreed that the normal work week shall be five days of eight hours a day, Monday through Friday,

all work performed on Saturdays and Sundays should be paid for at the rate established in the agreement for overtime work. In any other industry, it would be superfluous to even make that kind of a statement. In this industry, however, because there is no actual "time off" during the week, the seaman being generally on board his ship seven days a week. Because of the "day of rest" provisions of the Canada Labour (Standards) Code and the insistence of the union (justified, in my opinion) that this day of rest (accumulated days of rest during the season or during a certain number of weeks) be taken ashore at the convenience of the employee and of the ship's authorities, or at the end of the season, and with pay, (because of the fact that one day of rest on the ship is meaningless -- just as one day of rest sitting in a shop would be meaningless), the matter becomes complicated.

Eventually, I think that the seaman should and will receive the equivalent of one day of rest with pay off the ship for each full week of service on the ship, regardless of whether or not he has actually worked on the ship on the seventh day. I think it is reasonable. But I also know that 1/7 represents 14.3 per cent, and in the present dispute, faced with other important inequities that should be corrected, and with the cost factor involved, I am wondering if this is the time to tackle this otherwise justified social improvement.

It must be kept in mind that the Canada Labour (Standards) Code does not say anything about "pay" for the day of rest. But here, we face the situation where a day of rest on the ship does not mean anything to the seaman, and accumulation of "days of rest," unless they are paid for, does not mean anything either, because this is a seasonal operation.

It is evident that the union's request for "shore leave" derives from the "day of rest" provisions of the Canada Labour (Standards) Code enacted in 1965. So far, that provision of the Code has been "deferred" (permission to ignore the law, but not a bar to doing something about it, either of their own free will or by agreement with the union) with regards to the companies involved in this dispute, and I understand -- I have not seen the ministerial order -- that it has just recently been "deferred" again for a further period of 18 months. (Incidentally, it intrigues me that such an action of "deferral" had to be taken by the Canada Department of Labour at a time when the matter is the object of a dispute, and is before a conciliation board appointed by the Minister of Labour: but that, I suppose is beside the point).

One would be tempted to say that this matter of "day of rest" (or "shore leave" in the case of seamen) is one that should and must be dealt with by the department that is responsible for the implementation of the Code. I understand that the Canada Department of Labour has held several hearings on this matter and has heard representations from the parties involved. It seems to me that if the Parliament of Canada has adopted this social statute, it intended that it be implemented, and that it should be the responsibility of the Canada Department of Labour -- after consultation with the parties -- to devise methods of



implementing this section of the law instead of granting "deferrals" until the unions are "worn out" into accepting compromise arrangements in the implementation of the law.

The companies have devised a plan of implementation and submitted it to the Canada Department of Labour. It is a rather complicated formula that the workers will find difficult to understand, in my opinion, and will give rise to much dissatisfaction and complaint. It is based on time worked in excess of 48 hours a week over an averaging period of 18 weeks, and it includes compulsory leaves except in certain circumstances. The average seaman wants to work during the season. He does not want to be told when he has to take a leave. On the other hand, it may happen that he needs a leave, and can leave without disrupting the operation of the ship; in such a case he should be able to benefit from whatever time he has accumulated as "shore leave." If he does not, it seems reasonable to me that he should get his accumulated "shore leave" at the end of the season.

For those reasons, I feel that the best way to dispose of pay for Saturday and Sunday work, shore leave, pay and leave for work on statutory holidays and at the same time overcome in part the cost impact of the shore leave proposition, would be the following:

1. That after a short qualifying period, to be discussed between the parties, every seaman be granted one day leave off the ship with pay for each full week of employment on the ship and for each statutory holiday occurring when he is on the ship -- this leave to be taken at the employee's choice and the convenience of the ship authorities;
2. that the first eight hours of work on Saturday, on a Sunday and on a statutory holiday be remunerated, in addition to the monthly wages, at the rate of "straight time" only, i.e. monthly rate over 240.

That, in my opinion, would be a step in the right direction. Improvements could be negotiated between the parties in the future so that eventually all overtime work would be paid at overtime rate; the basis for calculating overtime pay would be 173 instead of 240, and the one-day "shore-leave" off ship with pay would accumulate for all full weeks of service on the ship.

#### Stewards' department

My notes indicate that there was agreement, at the subcommittee level, on two paragraphs in the union's proposal:

The Company shall furnish all working equipment for the galley including white caps, aprons, coats worn by stewards, and laundered by the Company; and  
Linen shall not be issued while meals are being served.

That matter was not discussed in the presence of the Board, but in meetings of the subcommittee at which the Board members were not present. Because of lack of knowledge of the matters involved, I decline to make any recommendation on the subject.

#### Pension plan

The trend in industry now is definitely toward the establishment of pension plans the cost of which is totally paid by the employer, and their integration with the government pension plan with regards to portability (after a certain number of years), early retirement, disability retirement, survivors' benefit, etc. That, in my opinion, is a wise move on the part of far-sighted employers, as a good pension plan constitutes an important factor in attracting qualified workers to the industry and an incentive to retain them in this industry. In the present case, the employers themselves argue that:

our member companies have been experiencing a labour turnover in their deck crew and certain engine room ratings of from anywhere from 200 per cent to 400 per cent.

If I am to take that statement at its face value, then I cannot help but ask myself what steps are being taken by the companies in an effort to remedy, at least in part, such a disastrous state of affairs; and it seems to me that the establishment of an attractive pension plan would definitely be a move in the right direction.

As in many of the other areas in dispute, the Board received very little enlightenment from the parties regarding the matter of pensions, which was discussed at length by a subcommittee and on which we were informed at one time, if I am not mistaken, that an area of settlement seemed to be in view. For example, although both parties were fully familiar with Judge Peloquin's award, establishing (in 1966) the pension plan currently in effect, I for one, and I think all three members of the Board, did not receive a copy of that report. What we had was a proposed new pension agreement drafted by the union, and the company's comments in its written presentation stating that the plan has been in existence for too short a period of time to be revised now, plus informal conversations on the subject during the hearings and in the lobbies.

The companies' position can be summarized from the following paragraph from their written brief:

Our position with regard to the Pension Plan is that the plan has been placed in effect and has operated obviously for only a period of 6 to 7 weeks during the 1966 season, and it is far too soon for it to be thrown out without being given a fair trial to reveal in the light of actual experience (so far only estimated) any weak points that it may have, and to provide essential statistics based on factual experience.

That sounds logical, and it would be, except for one thing: There is far from full participation in the plan, and there is little hope that there will be. One reason is the five-year eligibility provision contained in the current plan (that is obviously far too long) and the other reason is that even "eligible" seamen do not participate. We were not given the percentage of participation. I understand that it is far from 100 per cent. From the companies' representatives we hear whispers of "sabotage by the union." The union representatives, on their part, say that it is impossible to "sell" a pension plan involving employees' contributions of \$24 a month for a meagre \$100 pension.

The union is asking that the eligibility provision be reduced from five years to nothing (time of employment). The chairman of the Board has indicated that he will recommend a one-year qualifying period. I agree with him.

The union is asking that contributions be made on the basis of two-thirds by the employer and one-third by the employees. The chairman indicated that he will recommend "status quo." I disagree. I disagree, first because I think that in principle the cost of the pension plan should be borne entirely by the companies, and second because I am firmly convinced that this is the only way to obtain full participation from the employees, and full participation is necessary if the plan is to gather "actual experience" in the light of which it will "reveal any weak points which it may have" and "provide essential statistics based on factual experience." This represents a cost factor? Sure it does. So does a roof on a building. And full participation in the plan is just as necessary as a roof on a building. It is not a matter of cost (and it is not prohibitive, by far). It is a matter of necessity. I recommend contributions toward the cost of the pension plan on the basis of two-thirds by the employer and one-third by the employees.

#### Wages

In view of the cost factor involved in implementation of other sections of the present report, I would recommend increases of 15 per cent in the wage schedules spread over the duration of the agreement. The union has proposed a one-year agreement. During the hearings, the possibility of a three-year agreement has been discussed "depending on the content." I would leave the matter of duration of the agreement open for discussion between the parties, subject to their own schedule of implementation of other improvements involving costs.

#### Work performed by other than unlicenced personnel

This matter was hardly discussed before the Board. It seems to me that the companies position to the effect that "the company must be free to place on board cadets, apprentices, or workaways at their discretion" is completely unacceptable. It seems to me that some regulation should govern the employment of these persons and afford protection to the members of the bargaining unit. I am not qualified to make any recommendation, but surely the parties can agree on some mutually acceptable regulations regarding the matter.

#### Engine department

No evidence was presented to the Board on that subject, other than the written proposal by the union and the written "comments" of the company. I feel that this is a problem that the parties can and should resolve themselves and I make no recommendation thereon.

#### Manning

I have read the part of the chairman's report (draft) dealing with manning. I agree with his recommendation pertaining to the establishment and authority of an independent or a tripartite tribunal. (This, furthermore, is a recommendation of the Board of Trustees). However, I would recommend as a minimum (anything in excess to be decided by the tribunal referred to above) a contractual provision to the effect that there should be no fewer than two unlicenced men on deck watch, and one unlicenced man in the engine room at all times while the ship is under way.

The evidence presented to our Board by the union regarding casualties that could have been avoided if ships had been properly manned is impressive, and it has hardly been contradicted by the companies. Surely, such serious charges should either be successfully contradicted, or something should be done about the situation giving rise to such charges. That much "watered down" suggestion by the union (the above recommendation) made during the hearings, seems very reasonable. It is my strong conviction, that it should be implemented.

#### Retroactivity

It is my recommendation that all monetary improvements contained in the settlement should be made effective from June 1, 1967.

#### Conclusion

During the hearings we heard abundantly about the fact that the Lake Carriers was a "non-subsidized" industry having to compete with "subsidized" railway transportation and with foreign bottoms. This, in itself, is not a reason for substandard wages and working conditions for people employed by the industry. The Board was given no information whatsoever--except the above-mentioned statements--about the financial position of the companies involved in the dispute. Their claim that the implementation of the recommendations contained herein could "price them out of business" may be true. I am not qualified to



know. All I know is that the shipping industry is a vital public service. If private enterprise cannot carry out this vital public service profitably, while implementing proper wages and social benefits for its employees, then there is only one solution outside of nationalization: subsidy. Nobody likes subsidies, but in an essential public service, if we have to choose between a government subsidy and substandard conditions for the workers employed in this public service, then I think that we, the people of the country, must in all justice to the workers choose subsidies. The Government is well equipped to study the situation and can hear the interested parties. If the answer is that the industry cannot meet the just demands of its workers and live, then it has the power to make the necessary decisions.

Respectfully submitted,

(Sgd.) Emile Boudreau,  
Member.

Montreal, July 22, 1967

#### PROVISIONS AGREED TO

##### Preamble

Whereas the company operates and bareboat charters ships in Canada, in both inland and home trade voyages, as defined by the Canada Shipping Act (1934) as amended, but not in foreign voyages as defined under the same Act, and for which the union may have a separate form of agreement.

And whereas the parties are desirous of promoting collective bargaining and stability of industrial relations in the manner and upon the terms herein set out:

##### 1. General purpose of this agreement

The general purpose of this agreement is, in the mutual interests of the company and its unlicensed employees, to provide for the most reasonable operation of the company's ships under methods that will further, to the fullest extent possible, the safety and welfare of the said employees and economy of operation. It is recognized by this agreement to be the duty of the union, the company and said employees, to co-operate fully, individually and collectively, for the advancement of these conditions.

##### 2. Recognition

The company recognizes the union as the sole and exclusive representative for the purpose of collective bargaining for the unlicensed personnel employed on the company's ships, which unlicensed personnel are hereinafter referred to as "employees", which word shall include the singular, as well as the masculine and feminine.

##### 3. Clause paramount

(a) The parties to this agreement will not establish rules or enforce regulations that will in any way be contrary to or interfere with the effective implementation of all clauses in this agreement.

(b) During the term of this agreement the union also agrees not to enter into an agreement of any kind with another lake steamship operator or operators that is economically more advantageous to their operation, and the company agrees that it will not enter into a collective labour agreement with another union that will be more economically advantageous than the present agreement.

##### 4. Government laws and regulations

Nothing in this agreement shall be so construed as to affect the obligations of the signatories under the provisions of the Canada Shipping Act (1934) as amended, or other Government legislation, nor to impair in any manner whatsoever, the authority of the master.

##### 5. Maintenance of membership and employment

(a) An employee covered by this agreement who is not a member of the union shall, within thirty (30) days of employment, make application for membership in the union and be accepted by the union as a member and shall maintain his membership in the union for the duration of this agreement, or in the alternative, to tender to the union one (1) month's dues as well as the initiation fees as presently established and to pay subsequent monthly dues as required of union members, and failure to pay arrears of monthly dues at payoff shall be a bar to further employment until such arrears are paid. The union shall not refuse to accept such an employee, and the company shall not be required to discharge an employee until a satisfactory written statement of reason has been given by the union, and a replacement satisfactory to the company is made available.

(b) The union shall indemnify the company and hold it harmless against any and all suits, claims, demands and liabilities that shall arise out of or by reason of any action that shall be taken by the company for the purpose of complying with the foregoing provisions of this article or in reliance of any notice that shall have been furnished to the company under any of such provisions.

(c) The company agrees that all employees engaged by them in Canada will be hired either through the office of the union or through the seamen's section of the National Employment Service or, if the union fails or is unable to fill a request for employee or employees, or where such employees are not available within three (3) hours of the notified sailing time, the company or its representatives shall be free to engage them.

(d) The right of an employee to employment with the company shall be conditional upon the employee being medically fit to perform their duties, and the company may at any time cause the employee to be medically examined.

(e) The union agrees that the master or chief engineer of a vessel has the exclusive right to direct the crew, and to hire, promote, demote, transfer, layoff, suspend or discharge employees for cause. Employees shall comply with all lawful orders of their superior officers, and refusal of any employee to work as directed on any day shall be grounds for discharge.

(f) The union agrees to co-operate fully with the ship's officers and management of the company in obtaining well-qualified, reliable, sober employees to fill vacancies as they occur. When employees are requested, the union agrees that the company's requirements will be filled as quickly as possible.

(g) The union agrees that during the navigation season their hiring facilities at the ports of Montreal and Thorold shall be available to the company twenty-four (24) hours every day. The union agrees to furnish the company with the night telephone number of the union's employee in charge of their hiring facilities in the port of Fort William.

(h) Where a replacement has been provided by the union, and is for any reason deemed unsatisfactory by the company, he may be rejected by the company, and a written reason shall be provided by the company for the rejection.

NOTE: The company request for joint hiring halls is still in dispute.

#### 6. Grievance procedure

(a) Only one member of each ship, a bona fide member of the union, shall act as ship's delegate providing he has had one full navigation season service in this industry, and at least 90 days prior service with the company. He shall be elected by the majority of the unlicensed employees aboard and shall be in the company's employ. Ship's delegates for vessels of newly formed companies or ships that have been out of service shall not be required to comply with the 90 day service provision.

(b) The duties of a ship's delegate shall be to receive grievances from any employee or employees, and to present such grievances to the master or chief engineer, as the case may be, in accordance with the procedure hereinafter set forth.

(c) Providing the ship's delegate does not interfere with the working or good order of the ship, neither the company nor any of its officers shall dismiss, demote or otherwise in any manner whatsoever discriminate against a ship's delegate for actions taken by such delegate in the course of his duties as such.

(d) The ship's delegate shall thoroughly discuss the grievance with the employee or employees who shall have presented it to him.

(e) The ship's delegate shall thereupon present the grievance to the master or chief engineer, within 30 days of its alleged occurrence, and both the delegate and the aforesaid shall make every effort to achieve settlement thereof.

(f) If settlement is not achieved within three days of presentation as aforesaid to the master or chief engineer, the ship's delegate shall provide a statement of the grievance to a bona fide representative of the union. The union shall supply the master or chief engineer of the vessel with a copy of any subsequent written statement of the grievance and shall also provide a copy to the ship's delegate.

(g) Upon receipt by the union of the grievance immediate arrangements shall be made for a representative of the union and the company to investigate the grievance by discussion with all parties concerned and dispose of the grievance equitably and in accordance with the terms of this agreement.

(h) In the event that a settlement of the dispute cannot be reached under the provisions of paragraph (g) of this article, the matter shall be referred to arbitration by either party within the next 25 days.

#### 7. Arbitration

Any grievance involving the interpretation or alleged violation of any provisions of this agreement that has not been settled to the satisfaction of the company and the union by conference or negotiation, may be submitted to an arbitration board. Matters involving any request for a modification of this agreement or that are not covered by this agreement shall not be subject to arbitration.

(a) The arbitration board shall consist of one arbitrator who shall be jointly selected by the union and the company. This selection shall be made within 10 days after the request for arbitration has been made by either party to this agreement. In the event that the parties fail within the said 10-day period to agree upon the selection of an arbitrator; the matter may be referred by either party to the Minister of Labour for Canada, who shall select and designate the arbitrator.

(b) In the event the arbitration board is vacated by reason of death, incapacity or resignation, or for any other reason, such vacancy shall be filled in the same manner as is provided herein for the establishment of the board in the first instance.

(c) A statement of the dispute or question to be arbitrated shall be submitted by both parties, either jointly or separately, to the arbitrator within five days of his appointment. The arbitration board shall convene within 10 days following the appointment of the arbitrator unless otherwise mutually agreed by the parties and shall render its decision as soon thereafter as possible.

(d) The decision of the Board shall be limited to the dispute or question contained in the statement or statements submitted to it by the parties. The decision of the arbitration board shall not change, add to, vary or disregard any conditions of this agreement. The decisions of the arbitrator that are made under the authority of this arbitration article shall be final and binding upon the company, the union and all persons concerned.



(e) The expenses, fees and costs of the arbitrator shall be paid by the party to this agreement found to be in default upon the arbitrator's resolution of the grievance or, if the arbitrator resolves the grievance in such a way that neither side shall be found wholly in the right, then the arbitrator shall also establish the proper split of the expenses, fees and costs between the two parties in the proportion appropriate to the share of responsibility that each side had in the production of the grievance.

#### 8. Union officers boarding vessels

(a) For the purpose of consulting with union members, the company agrees that an authorized, credentialed officer of the union shall be allowed on board the ships at such principal ports as Montreal, Toronto, Welland Canal and Lakehead ports, provided that he shall present his pass on boarding the vessel to the master or the officer in charge. Such representatives shall have the right to engage in negotiations with the master or officers in charge of the ship in respect of any disputes or grievances but shall not have the right to interfere in any way with the operations of the vessel.

(b) The union shall submit to the company the name and relevant particulars of the bona fide union members authorized by the union to act as its representatives provided that the company, upon receiving from any representative a waiver, in form satisfactory to the company, of any claim for any damage resulting from any accident or injury in or about company property, shall thereupon issue a pass to each such representative, enabling him to board the company's ships at port for the purpose herein provided.

(c) The union representative shall not violate any provisions of this agreement or interfere with the officers aboard the ship or retard the work of the vessel, subject to penalty of revocation of the pass granted herein. Any such revocation shall be subject to the grievance procedure.

#### 11. General and emergency duties

(a) In addition to the duties specifically imposed by this document, all employees shall perform competently the ordinary duties pertaining to their positions on the vessel.

(b) Any work necessary for the safety of the vessel, passengers, crew or cargo, or for the saving of or rendering assistance to other vessels, lives, property or cargoes, shall be performed at any time on immediate call by all employees and notwithstanding any provisions of this agreement that might be construed to the contrary, in no event shall overtime be paid for the work performed in connection with such emergency duties of which the master shall be the sole judge.

(c) The master may, whenever he deems it is advisable, require any employee to participate in lifeboat or other emergency drills without the payment of overtime.

(d) Each employee shall report on board at loading and unloading ports and be available for duty not less than two (2) hours before time of sailing, as posted on the notice board, or as otherwise informed by the officers in charge.

(e) Oilers and firemen are to assist with the taking and placing on board of engine room stores, in addition to their regular duties.

#### 14. Other conveniences

(a) The following items shall be supplied to employees.

1. A suitable number of clean blankets for each employee.
2. Sheets and pillow cases that shall be changed weekly.
3. Roller and bath towels.
4. An adequate supply of crockery or plastic dishes.

(b) It is the policy of the company to maintain the comfort of the crew by providing as good equipment as possible under given circumstances, but it must be recognized that this policy is dependent on the full co-operation of the union and each employee.

#### 16. Transportation costs

(a) All unlicensed personnel who have served the company continuously aboard ship from time of fit-out to completion of layup, excepting only periods of justifiable absence from duty, shall be paid transportation costs to their home up to a maximum distance of 500 miles.

(b) All unlicensed personnel who join the vessel as a replacement after spring fit-out and serve continuously aboard ship from the time of such signing on to completion of layup, excepting only periods of justifiable absence from duty, shall receive transportation costs to his home or the port of signing on, whichever is the lesser, to a maximum distance of 500 miles.

(c) All employees rejoining a vessel at fit-out shall be paid transportation costs by the company up to a maximum distance of 500 miles and shall receive reimbursement of such costs at the first full month's pay period following the vessel's first sailing for the season.

(d) New employees to the company joining the vessel at fit-out shall be paid transportation costs by the company up to a maximum distance of 500 miles and shall receive reimbursement at completion of layup.

(e) If a ship lays up during the navigation season, the employee shall be paid transportation costs to his home or to port of signing on, whichever is nearer, up to a maximum distance of 500 miles.

(f) "Transportation costs" means coach class train fare, or bus.

(g) In case of discharge for cause or leaving the ship for personal reasons, transportation costs shall be borne by the employee.

(h) An employee, when transported by the company during the course of his employment, shall be provided with transportation by air, bus or rail, including berths where available when traveling by night, and with subsistence at the rate of two dollars (\$2) a meal in addition to his regular wages. When traveling by water, second class or tourist accommodation may be provided, including berths and meals.

17. Room and meal allowance

When the company does not provide room and board, an employee, during the course of his employment, shall receive two dollars (\$2) meal and six dollars (\$6) shall be allowed for room each night.

19. Tank, boiler and engine cleaning

(a) Where it is necessary for personnel to do manual cleaning work inside oil tanks, water tanks, and air bottles, scavenger trunks, exhaust manifolds (including exhaust ports of internal combustion engines), and the fire side of boiler furnaces, combustion chambers, boiler tubes and smoke boxes of scotch, donkey or cochrane boilers, also entering and cleaning super heaters, air heater spaces and economizer sections in water tube boilers, also cleaning dirty engine room tank tops, and dirty bilges where men are working below the floor plates, shall be paid for at the rate of time and one half the appropriate hourly rate at the time the work is performed, the minimum payment for such work to be one hour. Such rates shall constitute the total hourly rate for this work.

All of the foregoing duties must have the prior approval of the captain or chief engineer before work is commenced.

NOTE: Union agrees to withdraw articles 30 and 37 of its proposal.

23. Longshore work by the crew

If an employee is required to perform any work usually done by longshoremen, such as operating cargo winches for the purpose of unloading or loading cargo, or the handling of cargo, he shall perform such work and shall be paid in addition to his regular wage the applicable rate at that port, payable to longshoremen. In any event payment for longshore work done by the crew will be not less than the regular overtime rate.

25. Interruption of work

It is agreed that there shall be no strikes, walkouts, lockouts, secondary boycotts, or other similar interruptions of work during the term of this agreement or any renewal thereof, and disputes and grievances shall be adjusted through the regular channels established in the grievance procedure. Any violation of this clause shall entitle the company to claim damages from the union and from those signing this agreement on behalf of the union, in their official capacities.

There shall be no discrimination, interference restraint or coercing by the company against any employee because of membership in the union. The union agrees not to intimidate or coerce or threaten employees in any manner that will interfere or hinder the effective carrying out of this agreement and the principles contained herein, and will assist and co-operate with the masters, chief engineers and executives of the company in maintaining discipline aboard ship. The union also undertakes to prevent interference by other labour organizations in Canadian or United States ports.

27. Short period layup

Should an employee on a lake carrier be laid off for a period of less than seven consecutive days, he shall not suffer any loss in regular pay because of such lay-off. This section shall not apply to vessels laid up by reason of lack of cargo or emergency dry-docking.

28. Payment of wages

(a) It is agreed that the payment of wages shall be once monthly, with an advance approximately equal to one half months basic wages -- less taxes and other deductions -- payable on the 16th of each month. The remainder of the basic months salary, plus overtime and other earned increments, shall be payable on the first of each month, with overtime and increments calculated up to between the 20th and 25th of each month. Employees entering employment after the first day of the month shall not receive such advances as herein provided until the first day of the following month, except in cases of severance from employment.

(b) In consideration of the foregoing, the company shall not be required to fulfil assignment notes for employees under this agreement.

(c) When it is the company policy to pay wages by cheque, such cheques shall be company cheques and made out in the name of the employee.

(d) When an employee is paid off a vessel, he shall receive in cash, an amount up to seventy-five (\$75) dollars, or less, depending on his accrued credits, if requested by the employee.



30. Duration of agreement

This agreement shall be effective for the period from the 1st day of June, 1967 until the 31st day of May, 1970 and shall be deemed to continue thereafter from year to year until either party hereto gives a written notice to the other party, such notice to be registered at any post office not later than March 1, of the particular year, of desire to revise, amend, modify or cancel any portion of any of the terms hereof effective commencing the following May 31. Not later than 10 days after such notice has been given, the party giving the notice shall submit a meeting date between the parties no later than 21 clear days after such notice has been given, and shall thereupon submit its proposals for revision, amendment, modification, or cancellation of any portion thereof. If such notice and proposals be not given by the respective dates stipulated, then this agreement shall be deemed to be renewed for the succeeding year.

16. Sailing time of union proposal

(a) A sailing board shall be posted adjacent to the gangway immediately upon the arrival of the vessel in port. The time and date of sailing, together with destination if known, shall be placed upon the board. Where the sailing time is tentative it shall be so stated, and the expected sailing time shall be posted as soon as possible.

32. Call back of union proposals

(a) When a vessel is in port and men are called back to work after 5.00 p. m. or before 8.00 a. m. , a minimum of two (2) hours overtime shall be paid for each call, except when men are knocked off for a period of one (1) hour or less, in which case time shall be calculated on a continuous basis. Where the crew of the vessel is not living aboard the ship a minimum of four hours overtime shall be paid for each call, except when men are knocked off for a period of one hour or less, in which case time shall be calculated on a continuous basis.

NOTE: Union agrees to withdraw this proposal.

New clause, marine disaster

(a) An employee covered by this agreement, while employed by the company, who suffers loss of clothing or other personal effects because of a marine disaster or shipwreck, shall be compensated by the company for such loss, up to a maximum of \$500.

Tradesmen, such as electricians, cargo operators, machinists, etc., who are required to provide their own tools, shall receive up to an additional \$250 for the value of such loss of tools.

(b) An employee or his estate making a claim under this section shall submit reasonable proof to the company of the actual value of the loss suffered. Such proof shall be a signed affidavit listing the individual items and values claimed.

Deck department

The parties have agreed to the following section (1) of the union proposal contained in their submission of article 29 (deck department):

(1) When members of the deck department are required to do spray painting, they shall be knocked off one half hour early to clean up. Cover-all and respirators will be supplied.

Vacation pay

(a) An

(a) An employee shall be entitled to receive at time of payoff 14 days pay (in lieu of vacation) provided he serves continuously aboard ship from the time of Spring fit-out to the completion of layup in the fall or has been absent for reasons satisfactory to the master.

(b) For shorter periods of service all employees shall receive at time of payoff a pro rata payment for each day of service on the basis of 14 days pay for 270 days service or 14/270ths of the basic daily rate for each day of service as set out in the vacation pay column in paragraph 20 of this agreement.

(c) An employee will be paid 21/270ths if he has served 10 consecutive seasons, including the current one, with his company.

Safety and equipment

(a) The company shall make every effort to furnish and maintain safe working gear and equipment for the protection of its employees and shall continue to make reasonable provisions and rules for their safety.

(b) Vessels with side doors, when entering or leaving port and when not working cargo at night, shall have side doors adequately secured.

(c) When a vessel is canalling, berthing or letting go, the company agrees to use a signalman in addition to the winchman. The only exception to this is when mooring winches are side controlled.

(d) Two men shall be used for handling mooring lines at all times, one forward and one aft. When pulling long bow and stern lines two men shall be used.

(e) Any vessel tied up at any wharf, dock or landing place where crew members may go ashore or come aboard, unless canalling, shall provide a suitable gangway properly secured to the ship for the safe and convenient transit of crew members, and such gangway shall be properly lighted.

Such gangway shall be of solid construction and with fitted hand rails, and a boarding platform supplied to step from ladder to deck, and a gangwatch shall be maintained from 6:00 p. m. to 6 a. m. if in port and cargo is not being worked or cargo is being worked, but crew is not on deck.

(f) Landing booms shall be equipped with a triangle foot bar, or bosuns chair and a spotlight attached for night docking -- these booms to be tested periodically. Vest-type life-jackets to be worn by unlicensed crew members who are to be swung ashore on landing booms.

(g) Crew members required to work in cargo holds while unloading or loading operations are in progress shall be under continuous surveillance by someone on deck.

(h) When a crew member falls sick or is injured, it will be the duty of the master to see that he gets first aid or medical treatment as quickly as possible.

(i) When working over the ship-side in port or dry dock, there shall be supplied a proper staging, with a flooring of 1½" material by 18" wide and 10' long, with proper crossbars of 1" diameter lines, with a safety line attached to each crew member working on the staging, and someone to stand by while overside work is in progress.

(j) Members of the engine room shall not be required to work on staging or bosuns chair while the ship is under way. Crew members shall not be required to work on staging overside while the vessel is under way.

(k) Only water from an approved source shall be used for drinking or sanitary purposes.

(l) The engine room shall be supplied with life jackets sufficient for the watch below, along with asbestos blankets and stretchers, plus a medical kit. Diesel fuel, or pre-heated bunker "C", shall be used for flashing up on oil burning ships.

(m) When men are normally required to work in cargo holds of self-unloaders with the unloading machinery running, the company agrees to have safety chains every 4 feet and either angle bars or flat bars are to be placed in the middle of the hopper. Door safety shut-off controls, where possible, are to be situated at each cargo hold with a crew member standing by in case of emergency. Where shut-off controls are not possible an alarm system will be installed. It is to be understood that because of this agreement coming into effect during the operating season it may not be possible to effect the above changes until layup, but in any event will be completed prior to the opening of navigation in 1968.

(n) The company agrees to supply and maintain the following safety equipment for the use of unlicensed personnel covered by this contract in accordance with D. O. T. regulations such as, fog nozzles, breathing apparatus, life rings and coston lights, stretchers, hand lights and first aid kits in approved locations.

(o) (1) Hatches that are left open at night shall be sufficiently lighted to ensure safety.

(2) Goggles shall be supplied as required for men engaged in chipping or scaling.

(3) Hard hats shall be supplied to crew members working in areas where overhead work is being performed.

(4) The company shall supply face respirators when crew members are handling dusty cargos such as grain screenings and bulk cement.

(5) Goggles, hard hats and respirators will be signed for, and if not returned at termination of employment, the employee will pay for the cost of replacement.

(6) The company will endeavour to have the Bell Telephone Company install a pay telephone in a convenient location, if another telephone is not available when the vessel is laid up.

(7) Non-conductor foot pads shall be supplied in front of the main electrical switchboard.

(p) First aid kits, lifepreservers, lifejackets, portable liferafts, etc., not to be stored away while on the run immediately prior to winter layup, nor shall the lifeboats be emptied of their equipment, permanently covered or securely lashed on preparation for such layup.

(q) The union agrees to co-operate with the company in promoting safe practices and conditions aboard ship by reporting hazardous situations to the master or chief engineer who shall endeavour, whenever practicable, and with the least possible delay, to have the situations rectified.

(r) It is agreed that any safety regulations that the company may now have in force for the safety of the vessel and crew and any further safety regulations which the company shall put into effect and bring to the attention of the crew shall be strictly adhered to by all crew members. Violations of any such regulations will warrant instant dismissal.

(s) A labour-management committee will be formed to review safety matters. This committee will meet at least twice each year, preferably in June and January.

#### Article 26, welfare plan

The company agrees to contribute 50 cents for each man each day to the existing welfare plan. In addition to the foregoing wording in the contract, the welfare plan trustees will reduce the eligibility requirement to 180 contributory days within the three years preceding the claim, 30 of which contributory days are within the 12 months immediately prior to the date of the claim. The union agrees to provide the same privacy to the offices and clinic of the welfare plan as would normally be provided to any tenant.



### Overtime and overtime payments

- (a) An employee who is not on regular duty when called for overtime work shall be allowed 15 minutes in which to dress.
- (b) An employee performing overtime work that ceases before the expiration of one hour shall nevertheless be credited with one hours overtime.
- (c) After the first hour of overtime, each further period of one half hour shall entitle the employee to one half the hourly overtime rate.
- (d) When men are called out to work on overtime and then "knocked off" for less than two hours, excepting where a man is recalled for his regular duties, overtime shall be paid straight through.
- (e) At the completion of any overtime work the employee and the officer in charge shall both sign duplicate overtime sheets recording the duration of such work. One copy of the sheet shall be given the employee and the other shall be retained by the master. In the event a question arises as to whether work performed is payable as overtime, or if claim is rejected, the senior officer must sign "Disputed and the reason(s) for non-approval. In case of a dispute, the matter shall immediately enter the grievance procedure as provided for in this agreement.
- (f) The company agrees to supply overtime books or sheets for the purpose of keeping a record of overtime worked. Where the company fails to supply the said overtime books or sheets, employees, overtime claims shall be considered as valid on any form of paper.
- (g) Overtime shall be divided as equally as may be reasonably practicable among the employees who normally perform the work.

### Short hand pay (article 21 (g) of existing agreement)

- (g) When a vessel sails without full complement, wages of the absent members shall be divided among the men who must perform the work of the absent members at the regular basic rate of wages only.
- Both parties agreed to retain this section in its present form and application.

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Report of Board of Conciliation and Investigation established to deal with dispute between

Canadian National Railways (Borden-Cape Tormentine Ferry Service)

and

Canadian Merchant Service Guild

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The Board of Conciliation and Investigation established to deal with a dispute between the Canadian National Railways (Borden-Cape Tormentine Ferry Service) and Canadian Merchant Service Guild was under the chairmanship of Judge Nathan Green, Halifax, N.S. He was appointed by the Minister on the joint recommendation of the other two members of the Board, A.W. Cox, Q.C., of Halifax, N.S. and Angus McLeod, of Saint John, N.B., who were previously appointed on the nomination of the company and union, respectively.

The report was received by the Minister of Labour in July.

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Pursuant to the provisions of section 17 of the Industrial Relations and Disputes Investigation Act, a board of conciliation was constituted by the Canada Department of Labor on April 6, 1967 to endeavour to effect an agreement between the parties in the matters on which they had not agreed. Pursuant to the constitution of the Board, the necessary affidavits were completed. The Board met with the parties at Moncton, N.B., on May 13, 1967.

Prior to the meeting of the Board, H.R. Pettigrew, conciliation officer, Canada Department of Labor, met with the parties. All matters excepting those raised under articles 5, 8, 10, 11, 12, 13, 15 and 29 of the collective agreement had been worked out. At the meeting before the Board, the parties agreed that the three articles on which there was a real issue were articles 8, 10 and 11.

The Board heard submissions and evidence from both parties. The union sought pay increase of 1 per cent a month for each month of the collective agreement, and the company was prepared to grant an increase of .75 per cent a month.

The principal argument of the union was that there is no parity between the wage scale paid to the employees in the group with wages paid to other men doing similar kinds of work on the West Coast, the Great Lakes, and in other parts of the Maritimes.

The item of wage scale cannot be considered in isolation, divorced from all other matters. Comprehensive briefs, submitted by the parties, were considered by the Board. At the end of the hearings, the Board was not able to get the parties together. The hearings were then adjourned until June 9.

The parties reconvened on June 9 and all facets of the matters involved were discussed and exhausted. In the final stages, the company proposed a 27-month collective agreement, with the following wage scale:

	<u>First Officer</u>	<u>Second Officer</u>
December 1, 1966	\$554.66	\$478.64
September 1, 1967	\$576.25	\$505.23
March 1, 1968	\$593.02	\$527.00
September 1, 1968	\$609.79	\$548.77

The contract would terminate February 28, 1969. The union did not accept the offer. It proposed, as a counter offer, which it would recommend to its membership, the following:

	<u>First Officer</u>	<u>Second Officer</u>
December 1, 1966	\$543.83	\$467.81
May 1, 1967	\$565.42	\$494.40
December 1, 1967	\$582.19	\$516.17
May 1, 1968	\$598.96	\$537.94
September 1, 1968	\$630.96	\$560.00

The contract would run for 27 months.

Apart from the general increase in wages that was requested, there was the matter of the disparity -- the wide disparity -- between the salaries paid to first officers and second officers. The negotiating committee was anxious to narrow that gap. An examination of the statistics and figures placed before the Board indicates that they constitute a very proper course. The company maintains that the final offer made is the best that it can do, considering the background and all the circumstances. It does, in fact, accomplish to a large measure the two objectives sought by the union.

I have considered all the arguments on both sides, against the background of all the factors that have to be considered, and I recommend to the parties the following offer, for a 27-month period.

	<u>First Officer</u>	<u>Second Officer</u>
December 1, 1966	\$554.66	\$478.64
September 1, 1967	\$576.25	\$505.23
March 1, 1968	\$593.02	\$537.20
September 1, 1968	\$620.00	\$560.00

I am satisfied that if this is accepted the other two matters in issue can be settled between the parties. As for article 11, the policy of the Canadian National Railways, is such that it does allow three hours paid for callout; and I do not see how the Canadian National Railways, which has this as a national policy, can possibly make an exception for a small group of persons. I would recommend that three hours, as offered, be accepted. With regard to "watch-keeping" or "keeping ship," although it is a fact that a man has to put in hours, this is on a rotating basis, and the workload is not nearly the same as on a regular shift. It must be recognized that "watch-keeping" and regular shift work cannot be equated. The request of the union attempts to equate two different types of work that are not comparable in any way. There must be a clear differentiation between "watch-keeping" and regular duty periods when ships are in operation. It is felt that the present provision of pay for eight hours at the regular rates of pay for watch-keeping up to sixteen hours is fair in the circumstances and should not be changed. The matter of annual vacation, health and welfare are also matters of company policy that the negotiating committee agreed would be impossible and unreasonable for the union to insist on. It was the feeling of the Board that the negotiating committee would accept the matters as they are.

A great deal of material was filed with the Board and lengthy arguments were made, all of which are noted in the records of the hearings, reference to which is permissible. Nothing would be added to this report by attempting to incorporate in it the great volume of facts. The report is intended to deal with what the parties will consider.

Dated at Halifax, N.S., this 29th day of June, 1967.

(Sgd.) Nathan Green,  
Chairman.

(Sgd.) A. William Cox,  
Member.

(Sgd.) Angus MacLeod,  
Member.



Report of Board of Conciliation and Investigation established to deal with dispute between

Canadian National Railways (Canadian National Newfoundland Steamship Service  
and  
Yarmouth-Bar Harbour Ferry Service)  
and  
Canadian Brotherhood of Railway, Transport and General Workers

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The Board of Conciliation and Investigation established to deal with a dispute between the Canadian National Railways (Canadian National Newfoundland and Steamship Service and Yarmouth-Bar Harbour Ferry Service) and Canadian Brotherhood of Railway, Transport and General Workers was under the chairmanship of Judge Nathan Green, Halifax, N.S. He was appointed by the Minister on the joint recommendation of the other two members of the Board, A.W. Cox, Q.C. and J.K. Bell, both of Halifax, N.S., who were previously appointed on the nomination of the company and union, respectively.

The report was received by the Minister of Labour in August.

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Pursuant to the provisions of s. 17 of the Industrial Relations and Disputes Investigation Act, a Board of Conciliation was constituted, as provided in said Act, by the Department of Labour.

The company nominee of the said Board was A. William Cox, Esq., Q.C., and the union nominee was J.K. Bell, Esq., of Halifax. The Chairman, Judge Nathan Green, Q.C., was appointed by the Minister of Labour after the nominees of the respective parties failed to agree upon a third person to act as Chairman of the Board.

Pursuant to the constitution of the said Board, the necessary affidavits were completed.

The Board met with the parties at Halifax on the 11th, 12th, 13th, 15th days of July 1967, and again on the 10th day of August 1967.

The union was represented by a committee headed by Mr. Lloyd Abbott; the company was represented by a committee headed by Mr. Hedley Abbott.

The substratum on which the demands of the union were based and the offers made by the company in their negotiations was the wage structure and working conditions within the marine industry on the East Coast and Lower St. Lawrence Region. There was some disagreement as to the boundaries of these areas. The Board adopted the widest interpretation in defining the periphery of the several areas as presented in the submission by the respective parties.

The union represents something under 1,000 marine employees. Of these, about 900 are employed in the Newfoundland Steamship Service, and about 120 are employees of the Yarmouth-Bar Harbour Ferry Service. The wages and working conditions of this number are covered by five collective agreements as follows:

Unlicensed Personnel, Canadian National Newfoundland S/S Service

Pursers, Chief Stewards and other officer personnel, Canadian

National Newfoundland S/S Service

Engineer Officers, Canadian National Newfoundland S/S Service

Unlicensed Personnel, M/V Bluenose -- Yarmouth-Bar Harbour Service

Engineer Officers, M/V Bluenose -- Yarmouth-Bar Harbour Service

It should be noted that the Merchant Service Guild represents the Deck Officers in the Newfoundland Steamship run and M/V BLUENOSE.

During the negotiations before the conciliation officer, the following requests by the union were settled:

- 1) Improved vacation benefits.
- 2) Improved health and welfare benefits.
- 3) Improvement in the issue of uniforms.
- 4) Improved overtime provisions.
- 5) Introduction of bereavement leave.

Sixteen additional items were in dispute when negotiations broke off before the conciliation officer and these sixteen items were submitted to this Board for its consideration and findings. In addition, a proposed change in the term of the collective agreement was presented by the company.

There is some disagreement as to the interpretation of information based on Table 74, Department of Labour Report on Wages and Working Conditions on the East Coast.

I propose to deal with each of the sixteen points in the order in which they were presented in the union brief.

#### I The Wage Demand

The union's demand was as follows:

"Effective May 1, 1967, all rates of pay shall be increased by 88 cents per hour."

The employees covered by the five collective agreements really fall into the following three main groups: the Engineer Officers, about 12 per cent of the total number; Pursers, Chief Stewards and other officer personnel, 7 per cent; unlicensed personnel, 81 per cent.

The company is opposed to any across-the-board increase for two reasons:

(a) it creates an inequality between skill levels;

(b) the company fears that it will inevitably generate a demand from employees in subsequent negotiations to restore the status and skill level relationships.

The union agreed that the demand it was making at this time ignored the principle of differentials between skill levels, a principle it supports, but was adamant that it had to have the increase it sought in the wage level at these negotiations across the board in order to bring up the base wage level to standards which it maintains it had lost because of the previous collective agreements, which ran for a five-year period.

The company reluctantly made an offer on this basis as follows, a three-year collective agreement with the following wage schedule increase:

May 1, 1967	\$20.00 a month
July 15, 1967	20.00 a month
May 1, 1968	17.50 a month
May 1, 1969	17.50 a month

provided all the other 15 items claimed in the union submission were dropped and the five items agreed upon before the conciliation officer remain. This offer was rejected by the union.

At the final meeting of the Board on August 10, following two offers made in July meetings, the union offered to recommend to its membership a two-year collective agreement with an increase of \$100 a month across-the-board, the larger portion of which would be payable in the first year.

This the company refused, and the Board ended the meeting and advised the parties that it would file its report with the Minister as soon as possible.

It must be noted that when the meetings began, the company took strong exception to the fact that the union had taken a strike vote. The company stated clearly before the Board that there could be no bargaining "in good faith" between parties when one of those parties had taken a strike vote. The union admitted strike proceedings could be taken immediately but indicated that no strike would be called if the points of difference were settled.

It must also be noted the union members on the M/V Bluenose and Lief Eiriksson and William Carson did stage a "wildcat" strike within 48 hours after the Board terminated the hearings on August 10.

The company cited figures before the Board which indicated that in the year 1966 the Newfoundland Service had a deficit of some \$13,000,000 and the Yarmouth-Bar Harbour Service a deficit of \$41,400, and that the request of the union was unreasonable and was in no way supported by the standards it cited. The comparisons made completely ignored the shift benefits of a 40-hour week and a 15-day-on and 15-day-off work schedule, as well as other fringe benefits enjoyed by employees of the company.

It must be recognized as a matter of principle that Canadian National, though a Crown corporation, must conduct its operations in an efficient and economic manner. It has a serious responsibility in this regard to the taxpayers, who, in the final analysis, must support any deficit. I fully agree that union members should not be required to accept substandard wages or onerous working hours to underwrite company deficits. And I do point out that there is no evidence before this Board to support such a proposition.

This demand of the union is tantamount to a 32-per-cent increase of the wage package over a two-year period which dates back to May 1. If the union's argument, namely, "that it has fallen behind" is a valid one, I think it unreasonable that it should expect to make it up within so short a period of time.

Any increase granted should recognize the difference in skills and, in line with this thought, I requested the company to submit a proposal. This the company has done. It is for a 30-month period and is attached to the report and marked as Schedule "A". This is an offer by the company which I find to be reasonable and in line with wage rates payable for similar work in the East Coast and Lower St. Lawrence area, insofar as comparison is possible between different groups, and properly should be accepted by the union.

I also recognize as a fact flowing from the proceedings before the Board that no settlement would likely be concluded between the parties on this principle, at this time, and in the hope that this report may prove to be of as much help and guidance to the parties as possible to finally resolve their differences. In the alternative I recommend that the parties conclude a collective agreement covering a 30-month period with the following monthly increases across-the-board:

May 1, 1967	\$35.00
March 1, 1968	20.00
January 1, 1969	20.00

One cannot measure with accuracy or fairness wage packages of one group with another and completely ignore the fringe benefits and working conditions provided in each respective group. These factors which I have considered in making the foregoing recommendations to the parties as well as an analysis of wage rates in the industry in this geographic area, having regard to the exhaustive briefs presented to the Board by the parties.

#### Union's Request No. II

Add or revise Short-hand rule as follows:

"In the event of any ship running short-handed, wages and weekly leave that would otherwise be paid to the members who are absent shall be paid to the crew members in the particular department affected, until such time as the vessel's crew is complete."



The union makes this demand on the following grounds:

(a) To introduce an element of standardization, since a rule of this type is in effect on the M/V Bluenose for Engineer Officers and unlicensed personnel, and similar clauses did exist in some area of the Newfoundland agreements that were dropped when the 40-hour week came into effect and there was a change in the leave procedure.

(b) It would serve as a deterrent to any laxity on the part of the company to insure that the ship sailed with a full complement.

The company is not prepared to agree to such a term in the Newfoundland contract and has deleted it in any negotiations in the Bluenose contract.

I am not satisfied that the union has made out a case on this demand. It is unreasonable to fix the company with the responsibility of having a maximum standby crew when the number of employees must vary with workload and traffic. The contracts do provide for overtime, as well as work content, and there are ample safeguards to protect the union members against any planned practice to run the ships short-handed. The number of instances cited before the Board do not, in my view, support the demand by the union.

#### Union's Request No. III

"Employees who report to join ship and ship is late, shall be paid regular wages plus allowance for room and meals for any travelling and waiting time."

This demand is intended to protect employees against the possibility of wage loss and unwarranted maintenance expenses caused by the late arrival of a vessel at its terminal port. The situation can arise as the result of bad weather and the re-routing of the vessel.

I do not find that the employee should be paid his wages but he should be paid an allowance for room and meals or other such reasonable expenses.

#### Union's Request No. IV

"Where applicable, employees required to work in or around boilers, fuel oil tanks, tank tops, rose boxes, fore and aft peaks, air tanks, shall be paid time and one-half in addition to regular rate while so occupied."

It is the union's intention to have an identically worded "dirty-money" clause written in in all five agreements. There is a limited rule of this type for the unlicensed personnel of the M/V Bluenose and the unlicensed personnel of the Newfoundland steamships.

During negotiations the parties substantially agreed on the rate of 80 cents an hour--there was disagreement as to the interpretation of the words "in or around." Certainly, the words "in or around" are subject to a very wide interpretation. No doubt there would be a difference of opinion regardless of the words used, but I recommend that the clause be the same for all agreements and be phrased in such a manner as to be payable to those engaged in "dirty work." There is some evidence before the Board that dirty work is not restricted to unlicensed personnel, which is the common marine practice, and that in fact Engineer Officers at times had to do "dirty work."

It seems clear that this kind of work is the job of unlicensed personnel and Officer Engineers are not required to do it, and if they do, it would be beyond their "call of duty," and not required by the company, and therefore, would not call for any bonus.

For purposes of definition, the company had suggested in its brief the following, which I find would serve as a guide and should be spelled out in the agreement:

- (1) enter and clean boilers, fuel oil tanks, air tanks and double bottom water tanks;
- (2) clean boiler tanks;
- (3) while working below engineroom floor or boiler room plates to clean bilges and tank tops.

#### Union's Request No. V

"Rates of Bartender and Cashier shall be increased \$25 above an Assistant Steward's rate."

This demand is based on the premise that the responsibilities of Bartenders and Cashiers are greater than those of the Assistant Stewards and for this reason should carry a higher wage rate.

I find this to be a tenable argument and recommend an increase of \$13.78 per month to their classification.

#### Union's Request No. VI

"Employees required to work cargo during regular hours shall be paid \$1.25 per hour in addition to their regular rate while so occupied, with a minimum of fifteen (15) minutes."

This demand is applicable only to deck employees engaged in the coastal services, and is made because there is a difference in the demands made upon deck personnel in this service, which is looked after by smaller vessels between terminal points where there are no longshoremen. In such instances, the seamen are required to move cargo in the small "outports."

It was admitted during the negotiations that the union was prepared to withdraw this request if other items could be satisfactorily settled, and on the basis of the evidence submitted before the Board, I am satisfied that in the narrow periphery of this type of a situation that this type of work has always been considered part of the crew's work and does not warrant the additional rate sought by the union.

If the job content is greater than that required of seamen, then there is always a right to grieve the situation under the terms of the collective agreement.

#### Union's Request No. VII

"Employees due to be relieved but required to remain back when a replacement is not available, shall be paid time and one-half the regular rate for the time so held."

This request is made with a view to insuring that the company does provide relief for employees at proper times and will enable a man to get his proper time off when it is due.

Because of a situation where a man is on 15 days and off 15 days, it is sometimes difficult, with the large number of people involved, to always arrange for a relief. This was admitted by the company.

The matter is further aggravated by the fact that the relief person does not always take the trouble to inform the company (when) he is not going to show up. There is little doubt that if the person that was supposed to appear seriously assumes his responsibility and makes known his inability to be on duty in time, that the situation, though it might not be completely corrected, will be greatly improved.

I do not think that the matter of payment of additional moneys is in any way the means to correct the situation. On this basis, this request is denied by the Board.

#### Union's Request No. VIII

"Relieving Second to remain on payroll as Second for the full month and not revert to Third for three days each month."

This demand flows from the fact that there are three days in each month where the relieving Second Engineer, because he is not actually a relieving Second Engineer, is paid at the rate of Third Engineer. At such times he continues to do the work normally done by the Second Engineer and, as such, it is felt that he should be paid Second Engineer's rate for the full month.

During the negotiations the company agreed to this proposal but reversed its stand unless all items had been concluded satisfactorily.

If the Third Engineer does in fact relieve the Second Engineer and does Second Engineer's work, then he should be paid Second Engineer's rate; however, if, as the company says, the work on these days consists of miscellaneous duties which could quite properly be performed by any engineer, including a junior, then, in fact, the Third Engineer is not doing Second Engineer's work, and, therefore, should not be paid such a rate.

I am satisfied that this is a situation that is covered in any collective agreement, and is simply a matter of the union filing a grievance, if, in fact, there is some situation that does arise where the Third Engineer does in fact do the Second Engineer's work, and for this reason the request is denied.

#### Union's Request No. IX

"All Senior Watchkeepers to be classed as Third Engineers."

This request was applicable to the M/V Bluenose. Senior Watchkeepers referred to means an Engineer in charge of a Watch.

The Third and Fourth Engineers both take charge of the Watch during which they perform identical functions, both are required to hold third-class certificates and have Junior Engineers assigned to them, and undertake some of the responsibilities.

During the negotiations the company expressed a willingness to increase the Fourth Engineer by \$10 a month if all other matters are settled. I would recommend such an increase when the Fourth Engineer is doing Watchkeeping.

#### Union's Request No. X

"Fifth and Junior Engineers to be classed as Fourth Engineers."

This request flowed from Request No. IX, where Fourth Engineers are classed as Third Engineers, then someone must fill the vacancy of the Fourth. This logically would mean that the Fifth Engineer would become Fourth.

This request applies to the M/V Bluenose. The Fifth Engineer classification is not used at this time because of the introduction of the 12-hour day. However, the company maintains that it is necessary to retain this classification in the wage structure, and that in fact Junior Engineer is the appropriate classification for Fifth Engineer.

Since I have ruled against Request No. IX, I must also rule against Request No. X for the same reasons.

#### Union's Request No. XI

"Article 16.13, Vacations, shall be strictly adhered to."

There is some question as to whether or not the responsibilities of the company flowing from Article 16.13 so far as the M/V Bluenose are concerned are being complied with.

The section reads:

"Applications filed prior to December 1st, insofar as it is practicable to do so, will be allotted vacation during the summer season, in order of seniority of applicants, and unless authorized by the officer-in-charge, the vacation period shall be continuous. Applicants will be advised in December of dates allotted them, and unless otherwise mutually agreed, Engineer Officers must take their vacation at the time allotted."



The union avers that it has been the practice of management to schedule practically all vacations in winter months rather than in the summer, that is not an equitable arrangement, and that vacations should be spread over the full 12-month period.

It seems that this matter can be worked out between the parties in accordance with their collective agreement, and if the applications are filed within the time period allotted, the management must make the decision of the period for vacation.

#### Union's Request No. XII

"Assistant Pursers shall receive an additional upward adjustment of \$25 to compensate for additional responsibilities."

With advent of the 40-hour week, the Purser's schedule had to be tightened and a greater responsibility fell upon the Assistant Purser, who holds a most responsible job. During the negotiations the company offered to increase the Assistant Purser's rate by \$15 a month after one year's experience, contingent, of course, upon the satisfactory disposition of the wage issue.

I think that a probationary period of six months is not unreasonable and that the employee should be granted an increase of \$15 a month, and that there be provision for probational training during the period of six months.

#### Union's Request No. XIII

"A classification of Assistant Purser - W T O shall be established for the M/V William Carson and similar ships, including rail car ferries.

#### Union's Request No. XIV

"A classification of Purser shall be established for the M/V William Carson and similar ships, including rail car ferries." These two proposals are interrelated and are considered together.

At present the large vessels have two classifications:

Purser W T O  
Assistant Purser

The small ships have four classifications:

Purser W T O  
Purser  
Assistant Purser W T O  
Assistant Purser

The union is seeking to open up two additional classifications in the larger vessels to open up an opportunity of advancement for senior employees.

Previous regulations required all ships to carry wireless operators and the practice had been adopted of hiring Assistant Pursers with W T O certificates. Through promotion, almost all Pursers and Assistant Pursers hold wireless certificates.

A change in the regulations made it no longer necessary for ships other than the Lief Eiriksson or the William Carson and new rail ferries to have wireless operators.

Pursers and Assistant Pursers on the smaller ships were no longer required to be wireless operators.

Pursers who are senior in service are denied promotion to the William Carson and similar ships as the only classification open on these ships are those of Purser W.T.O. and Assistant Purser.

Despite the argument made by the company of the necessity to attach the qualification of W.T.O. to one or the other, I would recommend that the classification on the larger vessels be such that there be a flexibility to permit room for promotion of Pursers, whether they have a W.T.O. certificate or not, so long as there is one person of the two who is a licensed W.T.O.

#### Union's Request No. XV

"Letter of understanding August 26, 1969, re employment of Chief Steward to remain in effect."

The effect of this letter of understanding virtually guarantees a position to the Chief Steward under all circumstances at all times. This is based on a traditional fact which I do not find is valid any longer. The collective agreement covers the situation and for these reasons I reject this demand.

#### Union's Request No. XVI

This is not really a demand. It deals with the problem of "contracting out." It was found that the Stewards were unable, because of the pressure of time, to adequately do the necessary cleaning of the ships at North Sydney and Port aux Basques. A crew of six women were engaged to do the work and I do not find that the union is really concerned about this. They do express concern about any action of "contracting out" but certainly this is a matter that should be controlled by the terms of the collective agreement.

Company's Request No. 3

Applicable to Engineer Officers, Newfoundland Steamships.

Amend Article 5.1 to read as follows:

"Promotion shall be based on ability, qualifications, certificate and seniority; ability, qualifications and certificate being equal, seniority shall prevail. The Officer of the Company in charge shall be the judge, subject to appeal."

The present Article 5.1 reads:

"Promotion shall be based on ability, qualifications, certificate and seniority; ability, qualifications and certificate being sufficient, seniority shall prevail. The Officer of the Company in charge shall be the judge, subject to appeal."

This proposal applies only to a skilled and quasi-professional group within the bargaining unit. Its effect is to give management the right to select the person best qualified between persons in the bargaining unit who apply for a posted position. It is my view that this is part of the decision in the conduct of the operation which should be the right of management.

For the foregoing reasons, I recommend the adoption by the parties.

I recommend that a study be made of the entire situation. During the hearings, it became obvious from the comments made by all parties that there should be a job study and reclassification with a view to bringing about a greater degree of standardization.

A great deal of material was filed with the Board and it should be said that this was all considered and sifted and this report is limited to what I consider to be the final basic issues to be resolved between the parties and the Board's recommendations as to how they should be concluded.

All of which is respectfully submitted.

DATED at Halifax, Nova Scotia, this 18th day of August, A.D. 1967.

(Sgd.) Judge Nathan Green,  
Chairman.

I agree with the finding of the Chairman.

(Sgd.) A. William Cox,  
Member.

MINORITY REPORT

I agree with all the findings of the Chairman except the wage recommendation and the Company's proposal to substitute for the word "sufficient" the word "equal".

As to the wage package, I recommend a settlement of \$100 across-the-board covering a 30-month period, payable monthly as follows:

May 1, 1967	\$33.33
March 1, 1968	33.33
January 1, 1969	33.34

The contract to expire October 31, 1969.

In order to facilitate the filing of this report without undue delay, I hereby briefly outline my thinking which leads me to support the wage proposal set out above.

Factors of consideration include:

- (1) Disparity in the wage structure as a result of the previous five-year agreement.
- (2) The large number of employees whose basic rate at this time is below \$300 a month, many of whom after pay deductions receive marginal subsistence.
- (3) Wages aboard vessels in the larger Canadian National fleet involved in this dispute should be at least on a parity basis with the Canadian Pacific Bay of Fundy operation.
- (4) The proposed \$100 per month increase over a 30-month period is not excessive in comparison to general level of wage increases granted to industrial workers in the Atlantic region.
- (5) The responsibility of a large national employer such as the Canadian National to "phase in" their level of wage rates in this operation to the national parity recognized in rail transport.

(Sgd.) J. K. Bell,  
Member.



# SCHEDULE A

## Article 8

### Rates and Method of Pay, Unlicensed Personnel, M.V. "Bluenose"

8.1 Monthly basic rates of pay shall be as follows:

	Effective			
	<u>1 May 1967</u>	<u>1 Dec. 1967</u>	<u>1 July 1968</u>	<u>1 Feb. 1969</u>
Bosun	\$329.08	\$347.71	\$366.34	\$384.96
Carpenter	338.37	357.52	376.67	395.83
Quartermaster	316.47*	334.38*	352.29*	370.21*
Seaman	301.88	318.97	336.06	353.14
Donkeyman-Storekeeper	329.08	347.71	366.34	384.96
Oiler	323.78	342.11	360.44	378.76
Wiper	294.58	311.26	327.94	344.60
Sr. 2nd Steward	371.78	392.83	413.88	434.91
Jr. 2nd Steward	352.98	372.96	392.94	412.92
Linen Steward & Storeman	309.18	326.68	344.18	361.68
Assistant Steward	294.58	311.26	327.94	344.60
Utilityman	272.69	288.13	303.57	318.99
Lady Cashier	294.58	311.26	327.94	344.60
Stewardess	265.38	280.40	295.42	310.45
Second Cook	360.28	380.67	401.06	421.46
Assistant Cook	309.18	326.68	344.18	361.68
Butcher & Storeman	360.28	380.67	401.06	421.46

\* An allowance of \$15.00 per month over and above salary to be paid Quartermaster when required to collect tickets.

## Article 12

### Rates and Method of Pay, Engineer Officers, M.V. "Bluenose"

12.1 Monthly basic rates of pay shall be as follows:

	Effective			
	<u>1 May 1967</u>	<u>1 Dec. 1967</u>	<u>1 July 1968</u>	<u>1 Feb. 1969</u>
Second Engineer	\$575.60	\$608.18	\$640.76	\$673.34
Third Engineer	491.40	519.22	547.04	574.84
Fourth Engineer	449.29	474.72	500.15	525.59
Fifth Engineer	421.22	445.06	468.90	492.75
Junior Engineer	407.18	430.23	453.28	476.32
Senior Elect. Engineer	540.38	570.97	601.56	632.14
Junior Elect. Engineer	456.17	481.99	507.81	533.63
Sanitary Engineer	414.06	437.50	460.94	484.37

## Article 12

### Rates and Method of Pay, Newfoundland Engineer Officers

12.1 Monthly basic rates of pay shall be as follows:

#### M. V. "William Carson"

	Effective			
	<u>1 May 1967</u>	<u>1 Dec. 1967</u>	<u>1 July 1968</u>	<u>1 Feb. 1969</u>
2nd Engineer	\$575.60	\$608.18	\$640.76	\$673.34
3rd Engineer	491.40	519.22	547.04	574.84
4th Engineer	449.29	474.72	500.15	525.59
5th Engineer	421.22	445.06	468.90	492.75
Junior Engineer	407.18	430.23	453.28	476.32
2nd Elect. Engineer	491.40	519.22	547.04	574.84
3rd Elect. Engineer	423.00	446.94	470.88	494.83
4th Elect. Engineer	407.91	441.00	464.09	477.18
5th Elect. Engineer	392.79	425.02	447.25	459.49
<u>Other Vessels</u>				
2nd Engineer	463.07	489.28	515.49	541.71
3rd Engineer	421.22	445.06	468.90	492.75
Elect. Engineer	443.14	468.22	493.30	518.39

## Article 8

### Rates and Method of Pay, Newfoundland Purser, Chief Stewards and Other Personnel

8.1 Monthly basic rates of pay shall be as follows:

#### M. V. "William Carson"

	Effective			
	<u>1 May 1967</u>	<u>1 Dec. 1967</u>	<u>1 July 1968</u>	<u>1 Feb. 1969</u>
Purser - W. T. O.	\$470.86	\$497.51	\$524.16	\$550.82
Assistant Purser	362.55	383.07	403.59	424.12
Chief Steward	463.39	489.62	515.85	542.08
<u>Other Vessels</u>				
Purser - W. T. O.	458.30	484.24	510.18	536.13
Purser	442.63	467.69	492.75	517.79
Asst. Purser-W. T. O.	378.49	400.13	421.77	442.49
Assistant Purser	362.55	383.07	403.59	424.12
Chief Steward	430.06	454.40	478.74	503.09



# Article 3

## Rates and Method of Pay, Newfoundland Unlicensed Personnel

3.1 Monthly basic rates of pay shall be as follows:

### M. V. "William Carson"

	Effective			
	<u>1 May 1967</u>	<u>1 Dec. 1967</u>	<u>1 July 1968</u>	<u>1 Feb. 1969</u>
Bosun	\$329.08	\$347.71	\$366.34	\$384.96
Carpenter	338.37	357.52	376.67	395.83
Quartermaster	316.47	334.38	352.29	370.21
Seaman	301.88	318.97	336.06	353.14
Donkeyman-Storekeeper	329.08	347.71	366.34	384.96
Oiler	323.78	342.11	360.44	378.76
Wiper	294.58	311.26	327.94	344.60
Sr. 2nd Steward	371.78	392.83	413.88	434.91
Jr. 2nd Steward	352.98	372.96	392.94	412.92
Linen Steward	309.18	326.68	344.18	361.68
Assistant Steward	294.58	311.26	327.94	344.60
Utilityman	272.69	288.13	303.57	318.99
Stewardess	265.38	280.40	295.42	310.45
Chief Cook	413.36	436.76	460.16	483.55
Second Cook	360.28	380.67	401.06	421.46
Assistant Cook	309.18	326.68	344.18	361.68
Butcher & Storeman	360.28	380.67	401.06	421.46

### Other Vessels

	Effective			
	<u>1 May 1967</u>	<u>1 Dec. 1967</u>	<u>1 July 1968</u>	<u>1 Feb. 1969</u>
Bosun	\$323.78	\$342.11	\$360.44	\$378.76
Seaman	301.88	318.97	336.06	353.14
Oiler	323.78	342.11	360.44	378.76
Fireman	313.52	331.27	349.02	366.75
Wiper	294.58	311.26	327.94	344.60
Steward	360.28	380.67	401.06	421.46
2nd Steward	352.98	372.96	392.94	412.92
Assistant Steward	294.58	311.26	327.94	344.60
Utilityman	272.69	288.13	303.57	318.99
Stewardess	265.38	280.40	295.42	310.45
Chief Cook	380.65	402.20	423.75	445.28
Cook	352.98	372.96	392.94	412.92
2nd Cook	352.98	372.96	392.94	412.92
Assistant Cook	294.58	311.26	327.94	344.60







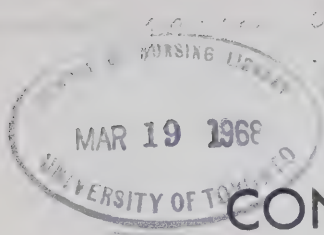
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No. 7, 1967



# CONCILIATION BOARD REPORTS together with CLRB REASONS FOR JUDGMENT

Conciliation Board Reports in disputes between

Hudson Bay Mining and Smelting Company Limited and United Steelworkers of America

Consolidated Aviation Fueling of Toronto Limited and International Association of Machinists and Aerospace Workers

Reasons for Judgment in Request for Review affecting

International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America (Applicant) and Arrow Transit Lines Limited, Kingsway Freightlines Limited, John Kron & Son Limited, Kingsway Transport Limited (Respondents)

Reasons for Judgment in application affecting

International Brotherhood of Electrical Workers (Applicant) and The Bell Telephone Company of Canada (Respondent) and Canadian Telephone Employees Association (Intervener)

A LABOUR GAZETTE SUPPLEMENT



CANADA DEPARTMENT OF LABOUR

Hon. John R. Nicholson, Minister

George V. Haythorne, Deputy Minister





## CONCILIATION BOARD REPORTS

Report of Board of Conciliation and Investigation established to deal with dispute between

Hudson Bay Mining and Smelting Company Limited  
and  
United Steelworkers of America

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The Board of Conciliation and Investigation established to deal with a dispute between Hudson Bay Mining and Smelting Company Limited, Flin Flon, Man., and the United Steelworkers of America was under the chairmanship of R.A. Gallagher, Q.C., Winnipeg. He was appointed by the Minister in the absence of a joint recommendation from the other two members of the Board, S.M. Cherniack, Q.C., and H.B. Monk, Q.C., both of Winnipeg, who were previously appointed on the nomination of the union and company, respectively. Separate reports were submitted by each of the three Board members. The reports were received by the Minister of Labour during September.

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### Report of R. A. Gallagher

Sittings of the Board were held at Flin Flon, Man., on August 28, 29 and 30.

Extensive discussions were held by the Board with the parties, both separately and together.

It is essential to an understanding of the difficulties between the parties to know something of the recent history of their relationships.

Under date of September 16, 1965 a collective working agreement was entered into between the employer and eight unions, covering various units of employees of the employer. Among those unions was Flin Flon Base Metal Workers' Federal Union No. 172.

The negotiations leading to agreement had taken place through a central council or bargaining committee that represented all eight unions.

The agreement was effective from September 16, 1965 and was to continue in force for two years, that is, until September 15, 1967.

On December 16, 1966 the United Steelworkers of America applied to the Canada Labour Relations Board for certification as bargaining agent for all employees who were then certified to Flin Flon Base Metal Workers' Federal Union No. 172. The application was, apparently, opposed forcefully by the employer.

On March 10, 1967 the Canada Labour Relations Board certified the United Steelworkers of America as bargaining agent for said unit, with certain minor exceptions.

Under date of March 22, 1967 a letter signed by H.L. Stevens, prairie area supervisor of United Steelworkers of America, was forwarded to the employer advising that pursuant to Section 10 (C) of the Industrial Relations and Disputes Investigation Act the existing collective agreement between the parties would terminate two months hence. The letter further called upon the employer to commence negotiations pursuant to Section 15 of said act.

The union apparently submitted to the employer proposals for a new collective agreement on April 26, 1967 and the parties apparently started negotiations on May 11, 1967. The negotiations continued through to June 1, 1967. Then they were broken off.

A conciliation officer met with the parties on June 20, 21 and 22, but was unable to bring about agreement between the parties.

This Board, like the conciliation officer, found it impossible to bring the parties together. The areas of difference between the parties were numerous and substantial to their nature.

Although the parties in their negotiations had arrived at agreement on the basic format of a new collective working agreement that made this Board's work lighter, there were still some 16 points submitted to the Board for resolution.

Before setting out the points involved, the Board wishes to confirm that the draft collective working agreement as submitted to it by the employer, and approved by the union, subject to some minor amendments and corrections hereinafter noted, is the basic agreement between the parties.

The points submitted to the Board follow: Effective date of agreement, lunch periods, statutory holidays, probationary period, insurance and welfare, pensions, apprenticeships, vacations, temporary transfers, air pollution, union security, union activity, welder classification at Snow Lake, adjustment for zinc tankhouse, travelling time, wages.

Now to deal with the points:

Effective date of agreement

The position of the parties is simple. The union says the agreement should be dated from May 22 or May 23, two months after the letter terminating the prior agreement was sent or received.

The employer takes the position that, (a) if the prior agreement has been terminated, then the union is a new union and any agreement should be effective only from the date of signing, (b) if the present union is simply the old union under a different name, then the effective date should be from the termination of the prior collective agreement that is, September 15, 1967.

The employer appears to feel that there has been a breach of faith on the part of the prior union and its members in that the company negotiated a two-year contract in good faith, and that when circumstances changed, this union and its members merely circumvented the agreement by "selling out" to the United Steelworkers.

The Board does not wish to enter into any discussion involving the good faith of the parties. To do so would require an extensive investigation into the past history of the relationships of the parties and would serve little, if any, useful purpose.

This Board had to reach a decision that would be equitable to both sides, based on the present state of the law.

The employees had the legal right to choose a new union and the union had the legal right to terminate the existing collective agreement. Further, it was observed that although the union applied for certification in December 1966, the decision of the Canada Labour Relations Board was not made until March 10, 1967. That lengthy delay, in some measure, was due to the opposition of the employer. No criticism is intended of the employer's action in this respect, but the delay is a matter that must be noted.

The Board, therefore, recommends an effective date for the collective agreement between the parties on June 1, 1967.

#### Lunch periods

This request really relates to lunch periods when overtime is worked. In the prior agreement the pertinent provision read:  
No employee shall be required to work more than 8 hours which includes two hours' overtime without being allowed a reasonable lunch period on Company time.

The union requests that six hours be changed to five hours so that an employee would only be required to work one hour past the end of his regular shift, as presently provided by the Manitoba law, which does not apply to this employer.

As mine employees eat on the employer's time and at their own convenience, the Board can see no real hardship in the present provision and no reason for such a change.

It is recommended, therefore, that the provision in the prior collective agreement be continued.

#### Statutory holidays

At the present time employees in the bargaining unit receive pay for eight statutory holidays.

The union is requesting a ninth holiday, Boxing Day. The union says that there is a trend in industry toward nine or ten statutory holidays and that trend is the basis for its request.

The Board is not satisfied that there is such a trend. The Board notes, in particular, that in two recently concluded collective working agreements (copies of which were filed with the Board) involving two mining companies in the northern part of the province of Manitoba, namely, International Nickel Company of Canada Limited, Thompson, Man., and Sherritt Gordon Mines Limited, Lynn Lake, Man., only eight statutory holidays were provided.

The Board recommends that there be no change in the existing provision.

#### Probationary period

At present the probationary period for a new employee is three calendar months. The union requested that the period be reduced to 30 working days. The employer advises that the present provision has been in the several collective agreements since 1946. It further advises that Flin Flon is basically a one-industry town, and, as the employer endeavours to give all local people employment, it is absolutely necessary for the employer to have the three-month period to assess whether or not the new employee will be satisfactory.

There is much to be said for the employer's contention and the union offered no valid or logical argument in opposition to it.

The Board recommends that the probationary period of employment remain unchanged.

#### Insurance and welfare, pensions, apprenticeships, vacations with pay

The above points are listed under one heading as the statement following is applicable to all of them.

Vacations with pay, Hudson Bay Mining employees' death benefit plan and the apprentice plan will be dealt with separately later.

In the prior collective working agreement Article XIV reads:

The Company agrees to continue, in accordance with the terms of the present agreements, its support of the welfare plans now available to the employees, namely:

- Apprentice Plan
- Vacations - with - Pay Plan
- Group Life Insurance
- Retirement Pension Plan
- Non-Occupational Accident and Sickness Benefit Plan
- Hudson Bay Mining Employees' Health Association
- Hudson Bay Mining Employees' Death Benefit Plan.



Although at first reading it would appear as if the employer was irrevocably committed to maintaining the current level of contributions, such is not the case.

With respect to all of the welfare plans, excepting vacations with pay and the death benefit plan, the employer has reserved the right to discontinue the plans in some instances and to change or revise them in other instances. The provisions are not found in the present collective working agreement, but are encompassed in the words of Article XIV "in accordance with the terms of the present agreements."

The employer takes the position that, apart from the two exclusions, the several welfare plans are not negotiable. By that the employer simply means that it is not prepared to give up its rights of termination or revision, and therefore will not include the plans in the collective working agreement and thus make them a matter for negotiation as to terms and conditions between the union and the employer.

The employer points out that it is prepared to discuss the detail of the plans with the representatives of the employees. It further points out that in most cases the plans are administered in the main by elected representatives of the employees. But, beyond discussion the employer will not go, and it insists on reserving the fate of the plans to itself.

The employer notes that a number of the plans are voluntary, that is, it is not compulsory for the employees to join them, and, in addition, the employer points to its excellent record of supporting the plans over many years. It submits that some things in life must be left to the good faith of the employer.

It might be noted, however, that the plans are benefits that employees have earned or won over a great many years: that the employees contribute substantially to the plans and have a vested interest, both financially and realistically, in their continuance. So far as good faith is concerned, it need only be remarked that there is no question of the employer's good intentions in relation to its employees, but circumstances change, as substantiated by the fact that the employer and the union are presently involved in a lawsuit over the pension plan. That lawsuit is pending before the Supreme Court of Canada and results from the advent of the Canada Pension Plan in relation to the provisions of the employer's plan.

The union in this area requested the following:

- (a) Life insurance coverage to be raised by \$5,000 for all employees, with the employer paying the full cost;
  - (b) The employer to pay 75 per cent of the cost of the medical plan and 75 per cent of the cost of the Manitoba Hospital Services Plan;
  - (c) That the employer pay into the death benefit plan the sum of \$1 for each surviving member upon the death of any member of the plan.
  - (d) That all welfare plans be included in the collective working agreement and be subject to negotiation by the parties.
- To deal with each of these points:

**Insurance coverage** - The full cost of this insurance coverage is paid by the employer. Up to August 1, 1967 the insurance plan provided \$100 coverage for employees with less than two years service up to \$3,000 for a married man or woman with dependent spouse and three dependent children under 19 years of age.

On August 1, 1967 certain important changes were made in the plan, the direct effect of which was to raise the \$3,000 ceiling to \$5,000 and so on down the line, all at no cost to the employee.

There can be no doubt that this plan is realistic and in keeping with the times. The only problem in the Board's mind is the ability of the employer to unilaterally discontinue or revise the plan at its pleasure. That will be dealt with later, but in the meantime the Board recommends that the coverages, as established by the employer on August 1, 1967 be the effective coverages.

**Medical plan and Manitoba Hospital Services Plan** - At present the employer contributes slightly better than 50 per cent of the cost of the health association (medical) plan and does not provide any contribution with respect to the Manitoba Hospital Services Plan, other than what may be contributed by the employer through the medium of income taxes.

There apparently is an agreement between certain doctors, the employer and an association representing the employees, under which medical services are provided under the above plan. Hospital services are covered under the government-sponsored plan. The agreement with the doctors can be terminated upon six months notice by either the doctors, the association or the employer.

As the employer's position with regard to the health plan will be dealt with later, it is only necessary to state that a contribution by the employer of 50 per cent of the premiums for all employees covered by the Manitoba Hospital Services Plan would not be unusual or out of line with industry in general.

The Board recommends that effective the first full month after the signing of an agreement, the employer shall pay and contribute for each employee covered by the Manitoba Hospital Services Plan 50 per cent of the individual monthly premium therefor.

**Death Benefit Plan** - This is one of the "negotiable" items, in the sense referred to above.

The present benefits of the plan are:

Upon the death of a member of the plan, the Employer deducts from the earnings of all other members the sum of \$1.50 up to a maximum of \$30.00 for any member in any fiscal year, and the employer contributes the sum of .50¢ for each surviving member.

The union proposes that the employer's contribution be increased to \$1 so that with no change in the employee's contribution this would mean:

\$1.50 per surviving member: \$1.00 by the employer per surviving member.

No argument was put before the Board explaining why the employer's contribution to the plan should be increased, other than the obvious suggestion that it would provide increased benefits for the estates of deceased employees.

The employer pointed out, quite rightly, that its contribution each year on the present basis is a substantial one -- namely, on an average of 15 deaths a year the employer contribution would total \$19,500 based on an average work force of approximately 2,700 employees. That averages about \$1,300 a death, apart altogether from contributions by fellow employees on the present three to one ratio.

The Board finds nothing wrong with the present scheme of payments, and recommends that they be continued on the present basis.

All welfare plans included in collective working agreement - In this instance we are dealing with all welfare plans other than vacations with pay (which will be dealt with hereunder) and the death benefit plan (dealt with above). The two exceptions are "negotiable" in the sense referred to above.

There is no need to reiterate the employer's position on the "non-negotiable" plans. It is fully set out above. An accurate summary of the employer's position on the plans could be simply stated as "discussion -- yes; negotiation -- no."

Two years ago the employer and all of the unions (including this union's predecessor) were negotiating. The negotiations bogged down. A conciliation board was established, and one of the main points before that board was the inclusion of the foregoing plans as a part of the collective working agreement. The board's majority decision unfortunately was not accepted and not implemented. If it had been, there possibly might not be a lawsuit over the matter before the Supreme Court of Canada. But the wisdom and logic of that majority decision appeals to this Board.

There is no question in this Board's mind that both the employer and the union are anxious to provide and secure benefits that will encourage suitable persons to apply for employment, and at the same time will help to retain personnel who have proved their worth over a period of years. The only difficulty, and it is a very real and obvious one to a working person, is the fact that the employer insists on treating the plans as being in its private domain -- that is, that the company has the unilateral right to do as it wishes in relation to them.

Although that is a delightful notion, and one that we are sure would be embraced by most employers, it just does not have any basis in reality. The welfare plans in question are part and parcel of the terms and conditions of employment on which any new employee accepts a job. Whether offered by the employer or gained by the unions in the bargaining process, they remain part and parcel of the necessary conditions essential to attracting persons to Flin Flon to perform certain jobs, establish community roots, raise families, and so on.

To hear the employer insist on the unilateral right to rescind or change such plans, and at the same time avow its belief in good faith and its desire to look after the welfare of its employees, leads one to the single and inescapable conclusion that there is no need for such protestations, but rather, let us include these plans in the collective working agreement.

In this Board's view, the present state of labour law supports the union's request. Further to that, it is the Board's view that enlightened labour-management practices also support the union's request.

This Board can, therefore, do no more than recommend that the provision recommended by the last conciliation board, referred to above, be adopted as a part of any new collective working agreement between the parties, and in substitution for Article 13 of the draft agreement between the parties the following be inserted, namely:

The Company and the employees agree that they will continue their contributions to and support of the undermentioned welfare plans that are now available to employees, at the level presently subsisting, unless and until a change may be made by agreement between the parties hereto: Group Life Insurance, Retirement Pension Plan (subject to the decision of the Supreme Court of Canada), Non-occupational Accident and Sickness Benefit Plan, Hudson Bay Mining Employees' Health Association.

#### Hudson Bay Mining Employees' Health Association

The Board wishes to make a particular note about this plan, so that no misunderstanding can occur.

The Board is aware that a government-sponsored medicare plan seems likely to be implemented by the province of Manitoba in 1968.

The tenor of this Board's award is that, regardless of the costs or premiums of such plan -- chargeable to the employer and/or employee -- the effect thereof shall not be such as to reduce the employer's present actual contributions to the present health plan. If there is any excess after payment of such costs or premiums, it shall be used to provide such additional coverage(s) as employer and union may mutually agree upon.

#### Apprentice plan

The employer has had an apprentice plan since the year 1932. The plan is based, so far as remuneration is concerned, on a progressive percentage of pay of a qualified tradesman.

The union says that such progressive percentage of remuneration is not adequate; that the employer should adopt the basic labour rate as the starting rate for apprentices.

The employer points out that at present there are no apprentices in the bargaining unit; that it is unlikely that there will be any for some time to come.

In this Board's view there is, presently, no problem of any merit here. However, the Board is aware that a danger exists, namely, that the employer could make use of the plan to obtain workmen at a cheaper wage rate. The Board is of the view that the apprentice plan of the employer is reasonable and recommends its continuance in its present form. But, this recommendation is based on the explicit understanding that the employer will not make use of the plan for purposes for which it is not intended.



## Vacations with pay

This matter is dealt with separately, because it is one of those "negotiable" items noted above.

The current vacation schedule, as granted by the employer, (although it is not recorded in the collective working agreement as it is one of the welfare plans referred to above) follows:

Years of Continuous Service	Weeks of Vacation
1 to 5 years	2 weeks
6 years	2 weeks plus 1 day
7 years	2 weeks plus 2 days
8 years	2 weeks plus 3 days
9 to 14 years	2 weeks plus 4 days
15 years or more	4 weeks plus 1 day

The union requested a special vacation plan that would provide an employee with five weeks special or additional vacation at the end of each five years of service. The union pointed out that such plans are now in effect at International Nickel, Thompson, Man., and Sherritt Gordon, Lynn Lake, Man. The union further suggested that such a pattern is a trend in mining companies and is an inducement to men to go to the northern part of the province.

The employer, without committing itself, was prepared to offer three weeks after 10 years of service (a gain of one working day in the 10th year) and five weeks after 25 years of service and each year thereafter.

It has to be noted by the Board that to institute the union's requests would cost the employer approximately \$1,100,000 in the first year of the plan (based on the existing service years of employees) plus approximately \$300,000 to \$400,000 each year thereafter.

It is true that such vacation plans are in existence at Thompson and Lynn Lake. But there are other factors to be considered. Both Thompson and Lynn Lake are relatively new ventures and the length of service of employees is significantly less than those of the people at Flin Flon. As a result, it can be said without doubt that the basic labour force at Flin Flon is more stable and more a part of the community than at the other locales.

However, some improvement in the vacation system is required. That is said, due to the conditions under which the employees serve and also with a view to enhancing the employer's position in the labour market.

The Board recommends that vacations with pay be granted as follow:

Years of Continuous Service	Weeks of vacation
1 to 5 years	2 weeks
6 years	2 weeks, plus 1 day
7 years	3 weeks
15 years to 19 years	4 weeks, plus 1 day
20 years	5 weeks

There was a problem existing about the method of taking or paying for vacations. The Board believes that problem was resolved by the parties. In the event that the Board is incorrect in its assumption, then, it reserves to itself the right and power to determine that issue.

## Temporary transfers

The union has requested that an article be added to the agreement reading:

If an employee substitutes in any department on any job at the request of the Company during the temporary absence of another employee, he shall receive the rate for the job or his regular straight time hourly rate whichever is the greater.

The employer agreed in principle with that idea, but says that it does not wish to have it included in the agreement. In addition, the employer gave a number of examples where, in its opinion, difficulties in interpreting the provision might occur.

The Board feels that the whole problem is one of drafting since the parties really are in agreement on principle. The Board has, therefore, endeavoured to draft a provision that would be satisfactory to both parties and recommends that the following article be incorporated in the collective working agreement:

If an employee is temporarily assigned to any job by the Company during the temporary absence of another employee, he shall receive the rate for the job or his regular straight time hourly rate, whichever is the greater.

## Air pollution

The union is basically requesting that a safety and health committee shall be empowered to make, or have made at the company's expense, periodic tests of the air in and around the plant.

The draft collective agreement between the parties provides, in an extensive manner, for the setting up of safety committees. True, these committees may not have any right to implement safety procedures, but there was no evidence brought before the Board to indicate any hazards to employees in the mine.

It is known that personnel from the provincial government inspect the mine on a regular recurring basis. In addition, the Board is satisfied that the employer endeavours to its best ability to make the operations of the mine, in relation to employees, as safe as possible under all circumstances.

The Board recommends that the union's request in this connection be not granted.

## Union security

The union is requesting the Rand Formula.

The employer's position is that under the voluntary, irrevocable checkoff with an escape clause the union has been able to maintain a membership as high as 98 per cent of employees eligible to join the union, and, secondly, the employer maintains the position that an employee "has the right to work without being compelled or coerced into joining a union, or paying union dues."

The union points out that all employees, whether members of the union or not, benefit by the services of the union in negotiations, enforcement and administration of the collective agreement; that it must process the grievances of any member of the bargaining unit, and that it must zealously advance and safeguard the position of all members at all times, whether they belong to or contribute to the union or not. In those circumstances the union states, with what appeared to the Board as indisputable logic, that those employees who receive the benefits, the gains and the protections brought about by the union's action should be prepared to shoulder the costs of same. In addition, there is a further argument by the union that deserves much weight. It is simply that a majority of the employees in this unit have chosen this union to safeguard their interests. This does not mean that the union has a captive audience, as witnessed by history in this case. But it does mean that a majority of employees have made a choice and this choice should be binding on the minority so long as such services are being properly given. If those services are not satisfactory to the minority, they have the right to seek to change the representation using the same procedures.

It might be remarked that this Board is supported in its view by the report of the last conciliation board, which, on this subject, said in part:

..... in the light of experience with Union security provisions in collective agreements in industry over the last 15 to 20 years, it is our view that their usefulness under responsible union leadership has been proved. We recommend that as a fair and reasonable provision in this case the union's request (modified Rand Formula) be accepted .....

However, this Board does not feel that the matter is of sufficient importance in the circumstances to bring about a deadlock between the parties. This Board suggests that the provisions in the draft agreement between the parties, with certain minor amendments as hereinafter set forth, would likely be a basis for agreement between them. The amendments are:

- (a) That in Article 17.02 of the said draft agreement the word "of" in the 3rd line thereof to be changed to the word "after".
- (b) That in Article 17.02 of the said draft agreement after the word "or" in the 4th line thereof the words "fifteen days prior to the termination" to be inserted and the words "a renewal" in the said 4th line thereof to be deleted.

## Union activity

In the prior collective working agreement there was a clause that related to union activity on the employer's time and employer's property, reading:

### Article XXI, Section 2.

There will be no Union activity on Company time except that necessary in connection with the handling of grievances and the enforcement of this agreement; but nothing in this agreement shall be construed to prohibit the officers of the Union from looking after the matters of membership dues, initiation fees, assessments, and solicitation of membership, provided it is done after working hours or during noncompensable lunch hours and does not interfere with the operation of the plant.

In the draft collective agreement before this Board the employer suggested a provision dealing with union activity that is not agreeable to the union, and reads:

### Article 18, Section 5

Other than the functions necessary to the Grievance Procedure and normal duties of committees recognized in this agreement, neither the Union nor any other person acting in its interest will engage in Union activities on plant or mines property and neither the Union nor any other person acting in its interest will engage in Union activities on any other part of the Company's premises without prior permission of the Personnel Supervisor, which shall not be unreasonably withheld. It is understood that the foregoing shall not be construed so as to prevent employees from engaging in casual conversation relating to Union affairs.

There is a remarkable change in language and philosophy in the above sections. The employer's position is simply one of apprehension, not based on any reported objective facts but based rather on the statement that there is "the possibility of conflict between union members on company property."

No evidence has been tendered to either support or defeat this suggested possibility and this Board has no desire to enter into speculation on the matter. It intends to proceed on the basis that the union herein is a responsible body headed by responsible persons and that the history of many years of employer-union relationship between the employer and some eight other unions has been untoward and without serious incidents.

The Board feels that apprehension on the part of the employer will fade as the parties come to know one another better, and therefore the Board recommends that Article XXI, section 2 of the prior collective working agreement be carried forward into any new agreement between the parties.



## Welder classification at Snow Lake

The union in this instance was really asking this Board to establish the classification of one particular employee at the Snow Lake plant.

The Board must state that it is not prepared to enter upon such a task without a full discussion of the relevant evidence on both sides of the problem. The Board, therefore, makes no award on this issue. The Board, however, does suggest that in its opinion the issue is an arbitrable one, but not arbitrable before this Board.

## Adjustment for zinc tankhouse

The zinc tankhouse relates to that part of the process in the recovery of zinc where electrolysis is used. The tankhouse consists of numerous electrolytic cells where zinc is deposited on an aluminum cathode and each day the "strippers" (as these employees are called) strip the layers of zinc from the cathode to be melted and cast into convenient shapes and sizes.

We are here concerned with the bonuses paid to "strippers."

In 1934 a stripper's bonus was equal to three hours pay. That is, if the stripper exceeded a certain level of production he earned a bonus that could reach a level equivalent to three hours pay at regular rates.

Over the years, however, due to the increases in the hourly rates being paid, the stripper's bonus has now decreased to a point where it can be equated to four fifths of one hour.

The union wishes to establish a bonus system with a maximum of one and one half hours at the current regular hourly rate of pay.

The employer says that although the above statements may be correct, what is overlooked is that since 1934 the employer has adapted and changed the procedures in the tankhouse to make the work easier for all employees; that in fact, many employees finish their day's work in less than six hours and only remain for the prescribed six and one half hours because they are required to wait until 2:30 p. m. before weighing out the day's strippings.

There was an implied suggestion that work in the zinc tankhouse was burdened with evils; that it was overloaded with fumes and was extremely heavy work.

Such suggestion may be true at certain times and under certain conditions, but the Board is not prepared to accept it as a factual statement of the day-to-day operations of the tankhouse.

The Board recommends that for the present the zinc tankhouse bonus system remain unchanged.

## Travelling time

The union's request appears to be that, if an employee spends 45 minutes or more a day travelling to or from his place of work, the employer should pay the equivalent of one half hours wages at the regular straight time rate.

The request is based on the fact that the employer has a number of what might be called "satellite" mines, the center of which is Snow Lake, Man. Those mines are anywhere from six miles to 19 miles removed from the townsite of Snow Lake.

The employer has provided a scheduled bus service for the picking up of employees and transporting them to the mines, but obviously the employee at the mine that is 19 miles removed will spend considerably more time travelling on the outward trip than those employed in the closer-in mines, and the employee in the closer-in mine may wait much longer for the return trip to the townsite.

It is significant and must be recorded that the employee is free to use his own transportation in getting to work be it on foot, by car or otherwise.

The Board feels that present arrangement provided by the employer, together with the flexibility allowed the individual employee, is not unreasonable, and therefore recommends that the union's request not be granted.

## Wages

The union requested parity of wages with the wages paid at International Nickel, Thompson, Man., and Sherritt Gordon, Lynn Lake, Man., and some regrouping of wage categories.

The employer offered a 22-per-cent wage increase based on a three-year contract, the total cost of which was estimated to be some \$3,500,000 over the three-year contract period. The offer of the employer was not that far removed from the union's request. To give an example, and using the labourer rate only, because it is the most handy:

<u>Union's request</u>		
<u>first year</u>	<u>second year</u>	<u>third year</u>
\$2.52	\$2.62	\$2.73
<u>Employer's Offer</u>		
\$2.45	\$2.56	\$2.67

However, when one considers that a 1¢ an hour increase means an outlay by the employer of approximately \$60,000 a year, the real difference between the two positions becomes clear.

To implement the union's request would result in the cost to the employer being increased from \$3,500,000 to \$4,400,000 over the same three years.

In this area the Board has to consider such matters as the cost of living in the northern parts of the province; the question of a wage rate capable of attracting and retaining suitable personnel; wage rates being paid in comparable mining areas in the same or similar locales, if possible. The Board also has to pay attention to the fact that to some extent the employees of the company at Flin Flin who have lengthy service (and there are a goodly number) are a captive group, unlike those at the newly-established sites of Thompson and Lynn Lake -- that is, these employees have made their investment (substantial in many cases) in the community, and to break this relationship is all the more difficult when faced with uprooting deep-seated community ties and at a risk of severe financial loss. The question in this instance really becomes: should the employer gain by paying less than the going rate because of such circumstances?

The employer argued that it was really not comparable to International Nickel, because Inco had control of the world's nickel market and could pass on any wage increase to the consumer, while it (Hudson Bay Mining) had to operate in the give and take of a supply and demand market and could not control its own destiny.

That may be true to some extent, but if the employer relies on that argument too heavily it could defeat its very purpose. In a table filed by the company as an exhibit before this Board we saw the situation of Cominco Ltd., a company that is a substantial zinc producer in Canada. One can assume that market conditions affect Cominco in a somewhat similar fashion to this employer, yet the wage rates as shown on the said table are the highest of all areas in Canada from the east to west coast.

It is also interesting to the Board to note that the net income of this employer has for the past five years (1962 to 1966 inclusive) shown a steady increase from some \$11,000,000 in 1962 to \$19,000,000 in 1966. That is a net profit in relation to sales of 28 per cent. International Nickel had a profit, on the same basis, of 17 per cent; Sherritt Gordon only 8.5 per cent. Probably the true position is a halfway house between the optimism of the union, so far as the company's financial position is concerned, and the pessimism of the company for its future market conditions.

In any event, the Board is satisfied that in weighing all relevant matters a wage level for the employees under consideration on a par with the wages being paid at International Nickel, Thompson, Man., and Sherritt Gordon, Lynn Lake, Man., is warranted, and the Board so recommends.

This Board is further of the opinion, and so recommends, that the grouping of wage rates as presented to it by the union should be adopted.

The Board notes that the employer raised the question that two wage categories, namely, crane operator and shovel operator, had got out of balance with other wage scales over the years. The matter did not appear to be of greatest importance to this Board, and in the circumstances the union was not called upon, or given an opportunity for a reply. The Board can only suggest that if the matter is of such a nature as to require a decision of this Board then the Board reserves to itself the power and authority set out in the following paragraph.

In the event that any question or dispute arises between the parties as to the applicable rate or rates of pay, or the wage groupings referred to above, the Board reserves to itself the power and authority to settle and determine such questions or disputes.

#### Reporting allowance

Before this Board the parties agreed that subsections (2) and (3) of Article VI of the draft collective agreement between the parties should be amended by the insertion at the beginning of each of said subsections the words, "Except as provided in Article 6.01."

The Board so recommends.

#### Miners' incentive bonus

Surprisingly, this is a request that does not appear in the union's original submissions, at least so far as the conciliation officer's report is concerned, or any material filed by the union with the Board.

The Board remarks on this point, raised by the union, because it proved to be one of the most contentious problems between the parties.

The issue between the parties is reasonably simple to state, although the Board does not profess to having even rudimentary knowledge in the field of mining.

In the process of underground mining, the employer's contract department analyzes any particular project that can be measured, as to its extent, and establishes a contract price. That contract price is based on an estimate of the average production that should be achieved, offset by certain labour costs, powder costs, etc.

The result is that the miner, if he exceeds the required production in the course of a normal shift, would earn a bonus (called an incentive bonus) as the more important costs are fixed. In fact, it would appear from information given to the Board that approximately one third of the miners' yearly income is represented by the bonus. It is, therefore, proper to call it an incentive bonus.

As can be seen from the foregoing, the contract price for any particular job can vary from that of another job. It has been pointed out to the Board that the fixed labour costs and powder costs are at the level established in the year 1951. That is, increases in wage rates and in the cost of powder have not been reflected in the figures at the 1967 level.

The employer has pointed out that its contract department has suggested that all present labour and powder costs be replaced by a new system, but nothing concrete has been developed to date in that area.



As can readily be seen, a large part of the underground miners' remuneration is dependent on the incentive bonus. It might also be remarked, without trying to generalize, that underground miners are usually young persons who do not hesitate to move to more lucrative jobs.

The problem then becomes a simple one. The union is seriously worried that any wage increases it is successful in negotiating could prove illusory in that the employer, by the simple expedient of adjusting fixed costs on any contract, could absorb or do away with such increases. The union's request, therefore, is simply that the employer shall not reduce incentive bonuses with the purpose of nullifying wage increases, and that the union will have the right to grieve about any such situation. It is to be remarked, of course, that the said incentive bonus is not presently a part of the collective working agreement and the employer takes the position that it should not be.

The employer's position was simply that "contracts" vary from period to period and job to job; that the said bonus system could not logically, and should not, be included in the collective working agreement, and that basically the employer could not reduce such bonuses as it would not be able to obtain miners in the normal market that makes such persons available.

There is a great deal to be said for the last position of the company. It appeared to the Board that both parties were in agreement on the fact that a miner who could not count on one third of his annual income coming from a "bonus" system would not voluntarily remain long in the employ of the company.

However, the union's request is not an unreasonable one, when one considers the impact that any reduction could have on the financial prospects of an employee. True, an employee can pull up stakes and go elsewhere, but that is of little satisfaction to a person who has bought a home, or has to uproot his family and sever its community ties. This Board earlier remarked on the stable nature of the work force at Flin Flon. In fact, we are told that the average service is 14 years, approximately, and that makes the above problem all the more real and the solution of the same all the more essential.

The Board finds that the existing incentive bonus system is adequate and recommends that it be continued on the present basis as to fixed costs, subject to the union's having the right to grieve about any particular case involving the setting of a contract price where the union feels that such contract price does not reflect a reasonable or adequate incentive bonus for the miners involved.

Signed at Winnipeg, Man., this 22nd day of September 1967.

R. A. Gallagher,  
Chairman.

#### REPORT OF S. M. CHERNIACK

I concur with the chairman on the report and recommendations, except in the area of vacations with pay referred to in the said report, dealing with special vacations.

As set out in the report, the union pointed out that its proposal of a special vacation plan, providing for five weeks special or additional vacation at the end of each five years of service, is now in effect at International Nickel, Thompson, Man., and Sherritt Gordon, Lynn Lake, Man. In addition thereto the union filed with the chairman a copy of the agreement of Wescore Drilling Limited at Thompson. It makes the same provision. I have since received and have filed with the Board copies of agreements of International Nickel, both in Sudbury and in Port Colborne, and of Falconbridge at Sudbury. All three of these agreements provide for five weeks additional vacation at the end of each five years of service. The principle has been expressed, in the part of the award dealing with wages, that the wage level in Flin Flon should be on a par with Inco at Thompson and Sherritt Gordon at Lynn Lake. As both of these companies, and the companies in Sudbury and Port Colborne, have agreed to this special vacation, it seems to me that special vacation has become accepted in the northern mining area, and does not relate only to new ventures and relatively short length of service.

I believe, therefore, that the request of the union that there should be an additional vacation of five weeks at the end of each five years is quite reasonable. However, for the purpose of attempting to conciliate the difference between the parties, I would suggest that the principle be accepted, but that for the term of the agreement the additional vacation could be modified to three weeks at the end of each five years of service.

In all other respects, I confirm the chairman's report and recommendations.

Signed at Winnipeg, Man., this 22nd day of September 1967.

S. M. Cherniack,  
Member

#### Report of H. B. Monk

I have seen and considered the report and recommendations of the chairman of the Board. Subject to my comments on the various items in dispute as hereinafter set forth, I agree with the report and recommendations of the chairman. It would seem to be convenient if the various items that were referred to the Board are referred to herein in the same order as they are considered in the chairman's report. The items submitted to the Board as being in dispute were:

Effective date of the agreement, lunch periods, statutory holidays, probationary periods, insurance and welfare, pensions, apprenticeship, vacations, temporary transfers, air pollution, union security, union activity, welders' classification at Snow Lake, adjustment for zinc tankhouse, travelling time, wages.

During the hearings before the Board the two following additional points were raised:

Reporting allowance, miners' incentive bonus.

My report and recommendations in relation to the matters are as follows:

#### Effective date of agreement

In his report, the chairman has set out in detail the circumstances that led to the certification of the United Steelworkers of America (hereinafter referred to as the union) and to the termination of the prior agreement made by Hudson Bay Mining and Smelting Company Limited (hereinafter referred to as the company) with Flin Flon Base Metal Workers' Federal Union No. 172 that would have expired on September 15, 1967.

The union, in so far as it represents employees of the company, is a new union and has taken the steps it was entitled to take to achieve the early termination of the prior agreement and to initiate negotiations with the company for a new collective agreement. The effect of the letter written by the union to the company, dated March 22, 1967 and filed with this Board was to terminate the prior agreement on May 23, 1967.

Both the union and the company have carried out negotiations without undue delay. The union has not submitted to this Board any facts supporting its request that the new agreement, when signed, should have effect prior to its actual signing date nor does it appear that any injustice would result if the agreement was effective from the signing thereof. I would therefore recommend that the effective date of the agreement be the date of signing and that the agreement come to an end on the last day of the month immediately following the expiry of three years from such date.

#### Lunch periods

I agree with the recommendations of the chairman.

#### Statutory holidays

I agree with the recommendations of the chairman.

#### Probationary period

I agree with the recommendations of the chairman.

#### Welfare and insurance

The employees of Hudson Bay Mining and Smelting Company Limited and its designated subsidiaries are eligible to participate in various plans that are referred to in a booklet issued by the company as welfare plans. They include:

A group life insurance plan and sick benefit plan; a health plan.

The group life insurance plan and the sick benefit plan are both administered by the employees' advisory committee consisting of five members, one elected from each of the following groups:

1. Mine department: representing all hourly rated employees of the underground mine department;
2. Metallurgical department: representing all hourly rated employees of the mill, the zinc plant and smelter departments;
3. Surface and service departments: representing all hourly rated employees of mechanical, carpenters and construction, surface and transportation, electrical and miscellaneous departments.
4. Staff: representing all salaried employees of the company and all salaried and hourly rated employees of designated subsidiaries.
5. Members at large: representing all salaried and hourly rated employees of the company and its designated subsidiaries.

The committee consults with the company with regard to variations, modifications and amendments to the sick benefit plan, the group life insurance plan and the pension plan of the company.

The group life insurance is provided wholly at the cost of the company. On August 1, 1967 coverages were increased substantially in respect of married personnel having dependents. Under the amended coverage, a married man or woman with a dependent spouse is insured for \$2,000 (formerly \$1,500); a married man or woman with dependent spouse and three dependent children under 19 years of age is insured for \$5,000 (formerly \$3,000). Other coverages also have been increased.

The union has requested that the life insurance coverage be raised to \$5,000 for all employees, with the company paying the full cost. The request does not recognize the variation in the need for insurance among employees. Obviously, the single man does not require the same coverage as a married employee with dependents. In my view, the company's proposals are reasonable and I would recommend that the coverages suggested by the company be accepted as the coverages for the plan.

Hudson Bay Mining Employees' Health Association plan was duly incorporated in April 1944 and the corporation is presently extant. Its object is to provide hospital care and treatment and health services for the members of the association and dependents. The act of incorporation, as amended, provides that the association shall be managed by a board of trustees consisting of five members elected from among members of the association by secret ballot, and two members appointed by the company. The association has working arrangements with doctors and hospitals and provides the required health services to the members of the association, who include, in addition to employee members, 189 resident pensioners and 94 widows of deceased employees. Both the company and the employees contribute to the association.

Membership in the group life insurance plan, the sick benefit plan and the health plan is voluntary, but nearly all employees are members. The company has approximately 2,800 employees, 500 of whom are not represented by any union; 1,600 employees who are represented by the union and approximately 700 employees who are represented by other unions. The latter are also each currently negotiating with the company for new separate collective agreements for the employees in their several bargaining units.



It was indicated to the Board that there was no agreement among all unions as to the benefits that they wished employees to obtain from the welfare plans referred to above. The position of the company is that the plans are voluntary and are not conditions of employment. The company participation in any of the plans could be terminated by appropriate notice at any time. The company indicates that it has no intention of discontinuing its support to the plans and asserts that the present machinery used to administer the plans has been found satisfactory and efficient and adequately represents all employees.

The union has requested that the employer undertake with it not to reduce its contributions to the various plans. The employer has refused to give such assurance to the union. It has, however, at the request of the business manager of the health association and the chairman of the employees' advisory committee, written to each in respect of the continuation and maintenance of company support for the pension plan, group life insurance plan, H.B.M. & S. employees sick benefit plan, and the health plan, and has given by letter to the appropriate officer in respect of each plan assurance that for a period of at least three years the company does not intend to exercise any existing rights of discontinuance, change or amendment so as to reduce its support to the plan unless and until federal or provincial legislation is enacted or altered to affect any of the terms of the plan as presently constituted.

The company has further indicated to the executive of the employees' health association and to the employees' advisory committee in respect of the plans that at such time as legislation is enacted, the company will work out with them a solution appropriate to the new conditions and the company's rights. The company has further advised the health association that when the legislation does come into effect, it is the company's intention to maintain its present payment of \$8.36 for each employee each month toward the health services for its employees.

In my view, the company's position in respect to the plans is reasonable. It would be difficult, if not impossible, to administer the plans through nine separate unions and in such event, approximately one fifth of its employees would not be represented. Until the effect and the extent of government action in this field is known, it is not possible to assess accurately the needs or to work out amended plans. The company has indicated that at that time the company will continue its support and work out appropriate plans. The assurance has been given to the persons who are in charge of the plan. I would therefore recommend that in respect to these plans the company proceed as indicated above.

I agree with the recommendations of the chairman on the death benefit plan.

#### Pensions

The pension plan is operated by the company and provides pension benefits for employees. Contributions on a fixed basis are made by employees and the company contributes the balance necessary to purchase the amount of pensions to which the employees become entitled. The plan is presently subject to litigation and negotiations are not current between the parties in respect to it. I therefore agree with the chairman and make no recommendation or report in respect of the pension plan.

#### Apprenticeship

I agree with the recommendation of the chairman.

#### Vacations

The union requested a special vacation plan that would provide employees with five weeks special or additional vacation at the end of each five years of service. It argued that such a plan is now in effect at International Nickel at Thompson and Sherritt Gordon at Lynn Lake, Man., and suggested that it is a pattern for the industry.

The Board was advised that to institute the union's request would cost the company approximately \$1,100,000 in the first year of the plan, based on the existing service years of employees, and approximately \$300,000 to \$400,000 each year thereafter. It must be recognized that although there are plans, as alleged, in existence at Thompson and Lynn Lake, both are relatively new ventures, and the length of service of the employees is significantly less than those at Flin Flon.

The company has offered to alter its vacation schedule to allow three weeks to employees after 10 years of service and five weeks after 25 years of service and each year thereafter. The average seniority of company employees is 14 years. The company also has 611 employees, each with more than 25 years service. The company informed the Board that its offer, if accepted, would mean an additional cost to the company of approximately \$103,000 annually. In my view, the offer of the company is reasonable and I would recommend that the schedule of vacation be amended accordingly.

#### Temporary transfers

I agree with the chairman that this is a drafting problem and providing that the draft referred to by him sets out the current practices in this respect, I agree with his recommendations.

#### Air Pollution

I agree with the disposition made by the chairman.

#### Union security

I agree with the disposition made by the chairman.

#### Union activity

In prior agreements the union had the right to collect membership dues, initiation fees and assessments, and to solicit members -- provided it was done after working hours or during lunch hours and did not interfere with the operation of the plant. The company has requested an alteration in the procedure. It suggests that except for the functions necessary to the grievance procedure and normal duties of committees referred to in the agreement, neither the union nor any other person acting in its interest should engage in union activities on plant or mines property without the prior permission of the personnel supervisor.

The company indicates that it feels that conflict may arise from the fact that nine unions are now proceeding separately and with separate agreements. It indicates that employees are moved from job to job in some instances and may be doing work during part time that is ordinarily done by members of other unions. The Industrial Relations and Disputes Investigation Act, section 5, is quite clear that except with the permission of the company, union activity is forbidden on company premises. It would seem under the circumstances that there is a real possibility of conflict and confusion, and this would not be in the interest of the company. I would therefore recommend that the draft clause suggested by the company be incorporated in the agreement.

#### Welder classification at Snow Lake

I agree with the disposition recommended by the chairman.

#### Adjustment for zinc tankhouse

I agree with the reasons and recommendations of the chairman.

#### Travelling time

I agree with the recommendations of the chairman.

#### Wages

The employer has offered a 22-per-cent wage increase, based on the three-year contract, that it estimated will cost approximately \$3,500,000 over that period. The union has requested parity with the wages paid by International Nickel Company at Thompson, Man. The company recognizes that the wage rates and the conditions of employment must be such as will attract and maintain sufficient employees to operate the mine.

There have always been some differences in wages paid by different employers in the mining industry, depending on the facilities, the type of mining, the location and the other benefits or advantages available to employees. Miners are not a captive group and the employees of the mine may move to other employment if it appears more attractive. The company recognizes this and has indicated to the Board that it has had no difficulty in obtaining sufficient employees under present wage rates, although the rates are lower than some other mines, and expects no difficulty in maintaining its staff in the future if the wage rates offered by it are included in the agreement.

It points out that there has for some time been a differential between wages paid by mining companies operating in the area. In view of that and of the other benefits available to employees, I would recommend that wage rates be established at the level stated in the company's offer.

#### Reporting allowance

I agree with the report of the chairman.

#### Miners' incentive bonus

The chairman has set out in detail the facts relating to the incentive bonus system as it applies to miners. Both parties agree that the incentive bonus system as presently in effect is adequate. The real dispute is that the employer takes the position that incentive bonuses should not be part of a collective agreement. The union believes that it should be included. The employer's position is that in order to obtain special effort from employees an employer is entitled to offer, from time to time, incentives that may allow a man to earn more than his base wage for greater production provided that he is always assured of earning not less than the base wage.

The employer says that is a right of management and is not subject to negotiation. The hard facts are that unless miners make an amount of money that they consider sufficient they will not stay with the company. In my view, management is entitled unilaterally to offer incentives to employees for increased production, provided such incentives do not conflict with the terms of the collective agreement. The fact that in mining a considerable portion of a miner's income may result from acceptance of such incentive schemes does not change the principle that is applicable. I do not think, therefore, that the miners' incentive bonus scheme should be included in the collective agreement, nor should the grievance procedure apply to it.

Signed at Winnipeg, Man., this 22nd day of September 1967.

H. B. Monk,  
Member.



Report of Board of Conciliation and Investigation established to deal with dispute between

Consolidated Aviation Fueling of Toronto Limited  
and  
International Association of Machinists and Aerospace Workers

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The Board of Conciliation and Investigation established to deal with a dispute between Consolidated Aviation Fueling of Toronto Limited and Lodge 717, International Association of Machinists and Aerospace Workers, was under the chairmanship of Dr. Louis Fine, Toronto. He was appointed by the Minister on the joint recommendation of the other two members of the Board, Bradshaw M.W. Paulin, Toronto, and W.G. Carson, Dundas, Ont., who were previously appointed on the nomination of the company and union, respectively. Separate reports were submitted by each of the three Board members. The reports were received by the Minister of Labour during September.

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The Board met with the parties on August 22, 23 and 24 at the Royal York Hotel, Toronto, Ont.

When the parties first came before the Board there were approximately 24 matters in dispute between them. We were successful in bringing about a settlement of 14 of those matters.

At the end of the third day of proceedings before the Board it was apparent that the parties had reached an impasse on the remaining 10 contract items in dispute. The contract items still in dispute are listed below. Appearing under each of the items is the chairman's recommendation for settlement.

Article 5 (c) -- Day of payment of wages

Wages are now paid weekly on Friday and the union requests that the pay day be changed to Thursday.

The company explained that because of the mechanics involved in making up payrolls at a central place it was not possible to guarantee that pay cheques would be available on Thursday. The company agreed, however, to make every reasonable effort to have pay cheques available on Thursday and particularly for those employees whose weekend commences on Friday.

The chairman recommends that this proposal of the company be accepted.

Article 1809 -- Lunch period

It is obvious from the nature of the company's operations and the demands of its customers that it is impracticable to adhere strictly to scheduled lunch hours. A great deal of time was devoted to discussing this sensitive item. M.A. Paulos, industrial relations director of the company, expressed the belief that the problem is common to every airport refueling operation. He stated that every reasonable effort would be made to provide a lunch break between the third hour and the fifth and one half hour of an employee's shift.

The chairman recommends the settlement of this point in the terms now provided in the collective agreement between the company and the union at Dorval airport, except as to the fifth and one half hour of an employee's shift.

Article 19.01 (b) and (c) -- Overtime

The chairman recommends the proposal contained in the company's brief to this Board that sets out the provisions in the Dorval airport agreement already mentioned.

Article 21.02 -- Lead hand premium

The chairman recommends that the present lead hand premium rate of 15 cents an hour be increased to 20 cents an hour effective on the date the new collective agreement is signed by the parties.

Article 23 -- Group insurance

The chairman recommends that:

- (1) The amount of weekly indemnity insurance be increased to \$55 a week.
- (2) The company increase its contribution under the group insurance package to \$11 a month for married employees and to \$5 a month for single employees.
- (3) The company absorb any additional cost required to maintain the insurance package, as set out in the company's brief to us.

#### Article 24.01 -- Job summary

It is noted that the union withdrew its proposal for job summaries.

The chairman recommends that the other past practices of the parties under this heading be continued.

#### Article 26 -- Cost of living bonus

The chairman does not recommend a cost of living bonus because of the wage recommendations appearing below.

#### Article 27 -- Term of agreement

It was apparent to the Board that this is one of the key issues -- perhaps the major one -- between the parties.

The union insisted on a 19-month agreement expiring December 31, 1968 which is also the expiry date of the collective agreement between the company and the union at Dorval airport.

The company had proposed a three-year agreement expiring June 1, 1970. Before this Board the company changed its position and proposed a 27-month agreement expiring September 1, 1969.

At one stage before the Board the union offered a longer term than 19 months, but the offer carried with it conditions that the company could not possibly accept.

The chairman recommends that the parties enter into a collective agreement for a term of 24 months, starting June 1, 1967 and ending May 31, 1969.

#### Wage schedule

The chairman recommends that effective June 1, 1967 the hourly rate of pay for employees be as follows:

	<u>Start</u>	<u>After 6 Months</u>	<u>After 12 Months</u>	<u>After 18 Months</u>	<u>Job rate after 24 Months</u>
Servicemen	\$2.35	\$2.45	\$2.55	\$2.65	\$2.75
Facilitymen	2.85	3.00	3.11		3.23

The respective job rates will be increased to the following amounts on the dates shown:-

	<u>March 1, 1968</u>	<u>November 1, 1968</u>
Servicemen	\$2.95	\$3.15
Facilitymen	3.58	3.93

The rates under the old collective agreement will thus be increased over a period of two years by a total of 80 cents an hour for servicemen and \$1.13 an hour for facilitymen. The increases amount to 34 and 40 per cent respectively.

It may appear on the surface that the increases recommended by the chairman are unusually high. However, the terminal rates recommended are approximately equal to the terminal rates in the current collective agreement between the company and the union at Dorval airport.

#### Free parking

The chairman does not recommend that the company pay for parking at the present time.

Signed at Toronto, Ont., this 13th day of September 1967.

Louis Fine,  
Chairman.

Report of Bradshaw M.W. Paulin

I have no substantial disagreement with most of the recommendations of the chairman, except as to the term of the collective agreement.

The employer's final position before our Board was that the term of the agreement and its new wage offer were coupled together so as to provide substantial pay increases tailored to a collective agreement for a term of not less than 27 months. Those pay increases ought not to be tied to an agreement for any shorter term than 27 months.



The combined effect of the items in the chairman's report dealing with "term of agreement" and "wage schedule" is to link the substantial pay increases to a 24-month term. In my opinion, and particularly in view of the size of the increases, that ought not to be done.

Signed at Toronto, Ont., this 14th day of September 1967.

Bradshaw M.W. Paulin,  
Member.

#### Report of W. G. Carson

I have read the recommendations of the chairman, and I regret that they are such that I find myself in almost total disagreement with them.

I have keyed my observations to the chairman's report, using the same sequence and item numbers.

My recommendations follow:

#### Article 5 (c) -- Day of payment of wages

There should be a definite commitment in the collective agreement for those persons whose weekend commences at the end of the shift on Thursday. They should be paid by payroll cheque. However, in the event a payroll cheque is not available a local cheque in the appropriate amount should be issued.

#### Article 18.09 -- Lunch period

It is not unreasonable to expect the company to schedule lunch periods to ensure that each employee receives a lunch break between the third and fifth and one half hours following commencement of shift. I recommend that a written guarantee be given in that regard.

#### Article 19.01 (b) and (c) -- Overtime

I do not agree with the chairman's recommendation on this point. I believe that the union's request is practical and reasonable.

The union's position was:

Time and one half for the first four hours; double time thereafter for hours worked on the first scheduled day off; double time for all hours worked on the second scheduled day off.

Inasmuch as this is a service operation that requires a seven-day continuous schedule, these employees are inconvenienced more than most other employees by having their weekends at other than normal times, that is, on a staggered basis. I do not believe these employees should be further penalized by receiving overtime allowances that are substandard to usual collective bargaining provisions.

#### Article 21.02 -- Lead hand premium

I concur with the chairman in his recommendation regarding this item.

#### Article 23 -- Group insurance

In regard to sub item (1), I concur with the chairman.

In regard to sub item (2), I recommend that the company increase its contribution to \$12 a month for married employees and to \$5 a month for single employees.

In regard to sub item (3), I do not believe that the chairman has gone far enough. At present, claims payments are based on the 1962 Ontario Medical Association schedule. The plan should be updated to immediately incorporate the 1967 O.M.A. schedule.

Note: The union requested that the company pay an amount equal to the weekly indemnity recommended in sub item (1) for the first week of sickness, provided the employee is off sick in excess of one week. In line with that I recommend that an agreement be reached similar to relative language found in the Dorval agreement.

#### Article 24.01 -- Job summary

The chairman notes that the union withdrew its proposal for job summaries. However, it should also be noted that the withdrawal was conditional on the company agreeing to include language similar to that contained in the Dorval agreement. I recommend the acceptance of the union's proposition.

## Article 26 -- Cost of living bonus

Because of the uncertainties and impositions of the current economic situation, I believe that a cost of living allowance should be present in every collective bargaining agreement.

## Article 8 -- Term of agreement

I agree with the chairman that it was apparent that this was one of the key issues between the parties. Before the Board the union, in an obvious effort to reach an agreement, showed a willingness to consider a 24-month agreement, provided that proper financial compensation was made.

I consider that this item is tied in with "wage schedule," and my recommendation in this regard is an agreement expiring December 31, 1968 that takes into account the wage schedule contained in the following item on "wage schedule." I propose this because of the inequities that have existed, and still exist, between the operation in Dorval and Toronto.

### Wage schedule

On this matter I recommend that effective June 1, 1967 the following rates should apply:

	<u>Starting</u> <u>Rate</u>	<u>After 6</u> <u>Months</u> <u>Service</u>	<u>After 12</u> <u>Months</u> <u>Service</u>	<u>After 18</u> <u>Months</u> <u>Service</u>	<u>Job Rate</u> <u>after 24 Months</u> <u>Service</u>
Servicemen	\$2.55	\$2.65	\$2.75	\$2.85	\$2.95
Facilitymen	3.26	3.36	3.46	3.56	3.66

All persons presently on payroll to receive their appropriate job rates.

I further recommend that effective February 15, 1968 the above wage structure be amended as follows:

That the servicemen wage structure be increased by 15 cents an hour and the facilitymen wage structure be increased by 35 cents an hour.

### Free parking

The cost of parking is a subtraction from the employee's wages. It is usual for companies to provide parking for their employees, and this is practically always a cost item to the employers concerned. If Consolidated Aviation Fueling does not wish to assume the cost of providing parking by obtaining the necessary facilities, they should not expect parking costs to be borne by the employees.

Signed at Dundas, Ont., this 14th day of September 1967.

W.G. Carson,  
Member.



CANADA LABOUR RELATIONS BOARD

Reasons for Judgment in Request for Review Affecting

International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America  
and  
Arrow Transit Lines Limited  
and  
Kingsway Freightlines Limited  
and  
John Kron & Son Limited  
and  
Kingsway Transports Limited

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The Board consisted of A.H. Brown, Chairman, and A.H. Balch, E.R. Complin, J.A. D'Aoust and A.J. Hills, members.

The Judgment of the Board was delivered by the Chairman.

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The applicant applies to the Board to review and vary an order made by it under date of June 6, 1966 certifying the applicant as bargaining agent for a unit of employees of Arrow Transit comprising employees classified as driver-helpers employed on line haul operations of Arrow Transit excluding owner-drivers, by changing the description of the said bargaining unit so as to describe it as a unit of employees of Kingsway Transports and its wholly-owned subsidiaries operating out of Winnipeg, Man., employed by Kingsway Transports through its wholly-owned subsidiaries in the Province of Manitoba, namely, Kingsway Freightlines and John Kron, comprising employees classified as driver-helpers, and excluding owner-drivers and excluding city drivers and city driver-helpers.

The order of the Board of June 6, 1966 certifying the applicant as bargaining agent for the unit of employees of Arrow Transit was made pursuant to Reasons for Judgment issued by the Board under date of May 31, 1966 and was made upon an application for certification made by the applicant herein to the Board in September 1965 under subsection (1) of section 7 of the Industrial Relations and Disputes Investigation Act.

The present application for review and amendment of the description of the bargaining unit emanates from the evidence given at a hearing held by this Board on November 29, 1966 on an application by Arrow Transit for revocation of the order of certification made by the Board to the effect that Arrow Transit's line haul road transport operations and the driver-helpers employed thereon and route franchise licences had been transferred to Kingsway Freightlines effective January 1, 1966 and the evidence adduced at the hearing concerning the common management direction of and relationships between the four respondent companies. The Board held a hearing on the present application on June 12, 1967.

Arrow Transit is a corporate commercial common carrier. At the time of the application for certification it was engaged in the hauling of freight by road transport between Winnipeg, Man., and Toronto, Ont., and Montreal, Que. It held commercial carrier route franchise licences at that time issued by the Manitoba, Ontario and Quebec highway transport boards authorizing it to operate on prescribed routes in its line haul operations. The employees in the unit that the Board found appropriate for collective bargaining were employed on Arrow Transit's line haul operations carried on under those licences. Those operations were carried on from Winnipeg, Man., where Arrow Transit's head office and major operations terminal were located.

Arrow Transit is a wholly-owned subsidiary of Kingsway Transports. The latter company has at least two other wholly-owned subsidiaries, namely, Kingsway Freightlines and John Kron. They are also commercial common carriers engaged in road freight hauling operations. The four companies have the same persons as president, vice president and secretary. They have the same officer in charge of their labour relations. It is a fair inference that as far as labour relations are concerned, the directing minds of each of them are the same.

At the time when the applicant made the application for certification of the Arrow Transit unit of employees, plans to transfer its road transportation undertaking to Kingsway Freightlines had been largely worked out by those directing minds. The transfer was dependent, however, upon Manitoba, Ontario and Quebec highway transport boards' agreeing to the transfer of the Arrow Transit operating route franchise licences from Arrow Transit to Kingsway Freightlines. Applications for such transfers were before these boards at the time the application for certification was under investigation by this Board.

At the time of the hearing held by this Board on the application in December 1965 approvals of the transfers had been given by the Manitoba and Ontario highway transport boards and all that remained to be done at that time was to await the necessary approval of the application for transfer of licences that had been made to the Quebec highway transport board. Appearances were made on behalf of Arrow Transit at the said hearing held by this Board in December 1965. The various objections to the application that were put forward by Arrow Transit at the hearing and in the subsequent Arrow Transit written submission were dealt with by the Board in its subsequent judgment of May 31, 1966 but the Board was not informed at the hearing, or in fact at any time before it made its decision of the fact that the Arrow Transit undertaking -- including its route franchise licences and the employees in the unit applied for -- would probably be transferred from Arrow Transit to

Kingsway Freightlines in the early future. Indeed, counsel for Arrow Transit prepared and filed with this Board submissions concerning the objections to the application for certification that were in fact made by Arrow Transit, at a time after the Quebec highway transport board had given its approval for the proposed scheme and transfer of route franchise licences and after the employees had in fact been transferred from Arrow Transit to Kingsway Freightlines. At that time, when those who constituted the directing minds of Arrow Transit as well as of Kingsway Freightlines and the other respondents knew the employees in question had already ceased to be employees of Arrow Transit and had become employees of Kingsway Freightlines, they permitted counsel for Arrow Transit to file his final submissions and close his case leaving the Board completely in the dark on the important change of facts.

As a result, on June 6, 1966 the Board issued a decision certifying the applicant as bargaining agent of the driver-helpers in the unit in question, but described the unit as a unit of employees of Arrow Transit instead of describing it as a unit of employees of Kingsway Freightlines as the Board would have done if the true facts had been known. In saying that the unit would have been described by reference to employees of Kingsway Freightlines instead of by reference to employees of Arrow Transit we are not overlooking the fact that appearances were made on behalf of Arrow Transit and not on behalf of Kingsway Freightlines. Having regard for the provisions of Section 9 (4) of the Act, the Board is required only to hold such inquiries on the application for certification as it deems necessary and it is the Board's view that it would not only not have been necessary but it would have served no apparent purpose to have had a new hearing so that Kingsway Freightlines, whose governing minds were identical with those of Arrow Transit could have been represented. The Board's view in this connection is supported by the fact that on this present application Kingsway Freightlines and Arrow Transit, as well as the other respondents, were represented by the same counsel.

In the circumstances, there appears to be no reason why the original order of certification should not be amended to describe correctly the unit of employees who were in fact the subject matter of the application and of the submissions put forward on behalf of the applicant and those appearing on behalf of the employer of the employees at that time.

The Board proposes that the unit covered by the order of certification of the applicant should be described as a unit of employees of Kingsway Freightlines, classified as driver-helpers working on its line haul operations under the commercial carrier route franchise licences that were held in the name of Arrow Transit at the time of the application for certification, excluding owner-drivers.

The Board is of opinion that the proposed description and identification of the unit set forth in the next preceding paragraph is adequate and is the most appropriate and practical for collective bargaining purposes in the existing circumstances.

If either of the parties hereto has any further submissions to make in reference to this manner of describing the unit, it may do so in writing on or before September 22, 1967, after which time the Board will proceed to issue its order.

It is not inappropriate to add that the Board expects, as it has the right to do, that all parties to proceedings before it will treat it with the same candour and frankness as would be expected from parties to proceedings in an ordinary court of law. Indeed, having regard to the Board's function of establishing the state of affairs to govern the future conduct of the parties rather than that of making a finding as to the rights of the parties in relation to past events, it is obvious that the parties to a proceeding before the Board must show the utmost of good faith in informing the Board as to all relevant facts. It is difficult to conceive of a fact that falls more clearly within this admonition than the fact that there is to be a change affecting the status of the undertaking or of the employees employed thereon between the date of the making of the application for certification of a bargaining agent and the time when, in the ordinary course of events, an order will be made disposing of such an application. Any failure to reveal to the Board information that might affect the form or substance of the Board's decision is and will be regarded hereafter by the Board as a lack of good faith on the part of the party that is guilty of such failure.

Cases considered included Bakery and Confectionery Workers vs White Lunch (1966) S.C.R. 282.

(Sgd.) A.H. Brown,  
Chairman, for the Board.

Signed at Ottawa, Ont., this 30th day of August 1967.



## Reasons for Judgment in Application for Certification affecting

International Brotherhood of Electrical Workers	(Applicant)
and	
The Bell Telephone Company of Canada	(Respondent)
and	
Canadian Telephone Employees Association	(Intervener)

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The Board consisted of A.H. Brown, Chairman, and E.R. Complin, J.A. D'Aoust, A.J. Hills and Gérard Picard, members.

The judgment of the Board was delivered by the Chairman.

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The applicant, a trade union, made application under date of November 29, 1966 to be certified as bargaining agent for a unit of employees of the respondent, designated as the plant craft and services employees of the respondent.

The employees in the proposed unit are presently represented by the intervener as their bargaining agent. This representation was based initially upon an order of certification of the intervener as bargaining agent of employees in the plant department of the respondent made by this Board in May 1949. It subsequently was extended in scope to cover other plant craft and services employees of the respondent by subsequent successive collective agreements between the intervener and the respondent covering both plant craft and services classifications of employees. At the date of the application the intervener and respondent were parties to a collective agreement covering the employees for a term of 12 months, effective from December 1, 1965 and subsequent thereto a new collective agreement was entered into between those parties covering the employees under date of December 21, 1966 to run from December 1, 1966 to November 30, 1967.

The Board finds that the unit of plant craft and services employees in the classifications presently represented by the intervener as bargaining agent, as set forth in schedule I hereto, is appropriate for collective bargaining.

In its application for certification the applicant claimed that there were approximately 9,550 employees in its proposed bargaining unit; that 4,907 employees were members in good standing of the applicant at the date of the application. The figure of 9,550 employees did not take into account, apparently, 661 additional employees in eight classifications not covered by the order of certification of May 1949, whom the applicant did not contest at the hearing on this application as being appropriate for inclusion in the proposed bargaining unit and which the Board included in the unit found appropriate by it for collective bargaining. The Board's investigating officers, assigned to investigate the application, found, following their investigations of the payroll records of the respondent and the membership records of the applicant covering the employees in the classifications in the unit which the Board finds appropriate, that there were 11,851 employees in the appropriate unit at the date of the application and that 4,648 were members in good standing of the applicant at that date.

There is manifestly a wide discrepancy between the applicant's claim in its application that there were approximately 9,550 employees in the bargaining unit at date of application and the number of 11,851 employees in the appropriate unit as found by the Board's investigating officers. The applicant's estimate of 9,550 employees was, according to the evidence, based upon a communication transmitted by the respondent to the intervener in May 1964, giving an estimate of projected yearly growth of the number of craft employees in the plant department of the respondent. That included a forecast of 9,300 craft employees for the end of December 1965, and a forecast of an additional 200 employees in the group each year over the period 1966 to 1968 inclusive. And (it was based upon) a subsequent similar communication from the respondent to the intervener transmitted in May 1965, giving the number of craft employees as 9,097 as of December 31, 1964 and a forecast figure of 9,432 craft employees for December 31, 1965. Those forecasts of craft employees upon which the applicant relies to substantiate its claim as to the approximate number of employees in the bargaining unit and in its attempt to discredit the accuracy of the payroll records of the employees in the bargaining unit, furnished by the respondent to the Board's investigating officers, do not include or take into account noncraft employees in the services classifications who are within the appropriate bargaining unit. A breakdown and computation of the payroll list of employees in the classifications in the bargaining unit shows a total of 10,464 in the craft classifications and a balance of 1,387 employees in services classifications as of the date of the application.

The Applicant has attacked the validity of the payroll list of employees in the bargaining unit furnished by the respondent and has claimed that this payroll list has been unduly padded by the respondent so as to include, improperly, persons who were not in the employ of the respondent at the date of the application or were on leave of absence or were on retirement leave or were in management categories at that time. Checks made by the Board's investigating officers did not bear out these alleged discrepancies as related to employees in the payroll records for each of the Eastern, Central, Western, Toronto and Montreal areas and the toll areas of the respondent's operations. The Board is satisfied on the basis of these checks and on consideration of the evidence given at the hearing that the revised payroll records of employees in the bargaining unit as of the date of the application as furnished by the respondent provides a reliable basis for the determination of the number of employees in the bargaining unit as of that date and that the applicant's claim as to the approximate number of employees in the bargaining unit has no reliable basis of fact and has not been substantiated on the evidence.

The number of employees in the bargaining unit who were members in good standing of the applicant as at date of application, namely 4,648, falls far short of a majority of the employees in the bargaining unit as found by the Board's investigating officers. The numbers thus found and reported, in the opinion of the Board, constitute the applicant's total membership within the approximate number of employees in the bargaining unit subject to such minor variations therein as might follow from a detailed consideration of the status of the 97 persons who were on the lists as first submitted but who were on leave of absence for various reasons at the date of the application. That group of 97 persons was eliminated from consideration at the investigation stage by the Board's officers and has not been counted in the total of 11,851 cited above as the figure reported by the Board's investigating officers as the total of the active work force the company had in its plant craft and services group on the date of the application. If it were necessary for the Board to give detailed consideration to the status of the said group of 97, the result would be either no change (since none of the 97 is now in the unit total) or else an upward adjustment of the unit total by reason of the possible inclusion of persons on the payroll roster whose absence from the active work force is due to such circumstances as sickness, accident or pregnancy leave, or leave for educational purposes. The said group of 97 is apart from employees on retirement leave at the date of the application, numbering 20. Those 20 have been counted in the total of 11,851 comprising the appropriate unit. It has been the practice of the Board to include employees on retirement leave in the determination of the number of employees in the bargaining unit and these employees were properly included as employees in the unit.

The applicant challenged also the validity of the payroll list furnished by the respondent on the ground that numbers of persons appearing on the list were unknown to the applicant's organizers or canvassers. Certain organizers were witnesses at the hearing and stated that by reason of service with the respondent they were well acquainted with particular areas of its operations and that various names on the company's list of employees were completely unknown to them. It was suggested that this represented evidence of "padding" and that more such evidence could have been produced if the applicant had been permitted more time to study the lists of employees.

An examination of the reports of the investigating officers reveals to the Board that on the occasions of the meetings in Toronto in late June 1967, attended by representatives of the applicant, the respondent and the investigating officers, a total of 329 names were put forward by the applicant as being unknown to its representatives. These were found to originate in the Eastern, Eastern toll, Montreal, Central, Toronto and Western areas, with the Montreal and Western areas having the greatest numbers challenged.

The investigating officers were able to establish the validity of the employee status of each of the 329 "unknown persons" as of the date of the application by examining negotiated pay cheques endorsed by the persons in question. All were actively employed by the company. Sixty-nine of them were hired prior to 1960 and 97 were hired between 1960 and 1965. Fifty per cent of the group had one or more years of service with the company.

The applicant asks leave of the Board, if the Board is satisfied that the applicant does not have a majority of employees in the bargaining unit as members as the applicant claims it has, to submit evidence of unfair labour practices by the respondent, allegedly committed prior to the date of the application that the applicant alleges interfered with the freedom of choice of the employees in selecting the trade union of their choice. It submits that the actions so alleged were directed against the applicant and to favour the intervener, and would warrant the Board's ordering a vote by secret ballot of the employees in the unit to ascertain their wishes. The Board heard argument as to whether evidence of such allegations is relevant to the disposition of the application and reserved its decision thereon.

Section 7 (1) of the Industrial Relations and Disputes Investigation Act provides that a trade union claiming to have as members in good standing a majority of employees in a unit that is appropriate for collective bargaining may, subject to the rules of the Board and in accordance with the provisions of the section, make application to the Board to be certified as bargaining agent of employees in the unit. Section 9 (4) of the Act provides that the Board may, for the purposes of determining whether the majority of the employees in a unit are members in good standing of a trade union or whether a majority of them have selected a trade union to be their bargaining agent, make or cause to be made such examination of records or other inquiries as it deems necessary, including the holding of such hearings or the taking of such votes as it deems expedient, and the Board may prescribe the nature of the evidence to be furnished to the Board. Section 9 (2) of the Act provides:

(2) When, pursuant to an application for certification under this Act by a trade union, the Board has determined that a unit of employees is appropriate for collective bargaining

- (a) if the Board is satisfied that the majority of the employees in the unit are members in good standing of the trade union, or
  - (b) if, as a result of a vote of the employees in the unit, the Board is satisfied that a majority of them have selected the trade union to be a bargaining agent on their behalf,
- the Board may certify the trade union as the bargaining agent of the employees in the unit.

Section 15 of the Board's Rules of Procedure provides:

For the purposes of Section 7 of the Act, a member in good standing of a trade union shall be deemed by the Board to be a person who, in the opinion of the Board, is at the date of the application for certification

- (a) a member of the union; and
- (b) has, on his own behalf, paid at least two dollars as union dues for or within the period commencing on the first day of the third month preceding the calendar month in which the application is made and ending on the date of the application; or
- (c) where he has joined the union within the period mentioned in paragraph (b) has, on his own behalf, paid on account of the union application or admission fee an amount of at least two dollars.



The Board requires accordingly that an applicant for certification shall establish to the Board's satisfaction that it had as members in good standing a majority of employees in the appropriate unit at the date of the application. Otherwise, the application fails.

The applicant's application for certification was submitted on the basis of its claim that a majority of employees in the proposed bargaining unit were members in good standing of the applicant at the date of the application. The Board is satisfied beyond reasonable doubt on the evidence that the applicant did not have a majority of employees as members in good standing on that date either in the unit of employees for which it applied, or in the unit of employees that the Board found to be appropriate for collective bargaining in this instance.

In the circumstances the Board does not consider the evidence that the applicant asks leave of the Board to submit is relevant to the disposition of the application.

The Board is of opinion that the cases cited by counsel for the applicant in argument are not pertinent to the particular circumstances of this case.

In the result the application is rejected for the reason that in the opinion of the Board the applicant did not have a majority of employees in the bargaining unit found appropriate for collective bargaining as members in good standing at the date of the making of the application as claimed by it.

(Sgd.) A.H. Brown,  
Chairman,  
for the Board.

Signed at Ottawa, Ont., this 27th day of September 1967

#### Schedule I

List of plant classifications of employees of the Bell Telephone Company of Canada --  
plant craft - and services -- found by the Canada Labour Relations Board to constitute  
a unit of employees appropriate for collective bargaining.

cable repairman,  
central officeman,  
combinationman,  
PBX installer,  
PBX installer-repairman,  
PBX repairman,  
splicer,  
tester,  
installer-repairman,  
lineman,  
station installer,  
station repairman,  
frameman,  
inquiry desk attendant,  
elevator operator,  
garage serviceman,  
apparatus cleaner,  
house servicewoman (full time),  
house servicewoman (36 hrs.),  
house servicewoman (30 hrs.),  
house servicewoman (other),  
stockman,  
storekeeper,  
elevator mechanic,

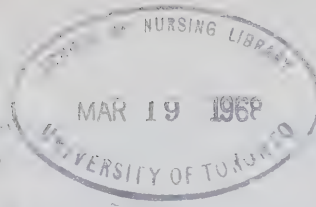
carpenter,  
painter,  
electrician,  
engineer room mechanic,  
plumber,  
plasterer,  
stationary engineman 4th Cl.,  
stationary engineman 3rd Cl.,  
stationary engineman 2nd Cl.,  
stationary engineer 4th Cl.,  
stationary engineer 3rd Cl.,  
stationary engineer 2nd Cl.,  
vehicle mechanic,  
vehicle mechanic apprentice,  
mail car chauffeur,  
facilities man,  
central office attendant,  
elevator dispatcher,  
building serviceman,  
utility man,  
supplies driver (tractor-trailer),  
building maintenance man,  
building equipment man.

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No. 8, 1967

# CONCILIATION BOARD REPORTS together with CLRB REASONS FOR JUDGMENT

Conciliation Board Reports in disputes between

E M I - Cossor Electronics Ltd. and National Association of Broadcast  
Employees and Technicians

Bristol Aviation Services and International Association of Machinists  
and Aerospace Workers

Canadian National Hotels Ltd. and Canadian Brotherhood of Railway,  
Transport and General Workers

Reasons for Judgment in application affecting

Brotherhood of Locomotive Engineers (Applicant) and Canadian  
National Railways (Respondent) and Brotherhood of Locomotive  
Firemen and Enginemen (Intervener)



A LABOUR GAZETTE SUPPLEMENT

CANADA DEPARTMENT OF LABOUR

## CONCILIATION BOARD REPORTS

Report of Board of Conciliation and Investigation established to deal with dispute between

E M I - Cossor Electronics Ltd. (satellite radio tracking facility, St. John's, Nfld.)  
and  
National Association of Broadcast Employees and Technicians

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The Board of Conciliation and Investigation established to deal with a dispute between E M I - Cossor Electronics Ltd. (satellite radio tracking facility, St. John's, Nfld.) and the National Association of Broadcast Employees and Technicians was under the chairmanship of Rolf G. Hattenhauer, St. John's, Nfld. He was appointed by the Minister of Labour in the absence of a joint recommendation from the other two members of the Board, Philip J. Lewis, Q.C., St. John's, Nfld., and Esau Thoms, Placentia Bay, Nfld., who were previously appointed on the nomination of the company and union, respectively.

The report of the chairman and Mr. Thoms constitutes the report of the Board. Due to illness, Mr. Lewis was unable to write a minority report. The report was received by the Minister of Labour in October.

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The Board held its first meeting on August 25, with both disputing parties in attendance. The parties submitted the following as being the issues in dispute:

### Wages

The union proposed a 9 per cent increase for each of the three years to be covered. The company offered increases amounting to 8 per cent, 5 per cent and 5 per cent for the same period.

### Night shift differential

At present a 6 per cent differential is being paid for night shift work. The union proposal was for a differential of 15 per cent.

### Travel allowances

A travel allowance of \$3 a week is presently being paid to all employees. The union proposed that this allowance be increased to \$4 a week.

### Work of statutory holidays

The present collective agreement provides for the standard rate of pay for employees who are required to work on statutory holidays. In addition, the employee receives one day off with pay as close to the statutory holiday as possible. The union proposed that work on statutory holidays be paid for at the rate of time and one half without any change in the day-off provision.

No negotiations worth mentioning had taken place, except for the wage issue. The company stated that it had always viewed all of the items under discussion as one single package and that its entire offer was included in the increases mentioned above.

Both parties presented argument for their respective position to the Board. However, in the opinion of the Board, both parties either failed entirely to show justification for their position or had selected the wrong economic basis for comparison and determination of their position.

Informal contact with both parties revealed that the major obstacle to a settlement was that the company has to present its collective agreement to the National Research Council and has to attempt to justify wage increases for the second and third year of the agreement.

The company, therefore, understandably attempts to utilize only statistics that it considers to be absolutely reliable and irrefutable. In comparison, the union points to nationally known settlements of recent times and cites wage rates for what it considers comparable job classifications in the province of Newfoundland. In the opinion of the Board the company has relied on an inapplicable set of statistics when it quotes Dominion Bureau of Statistics publications for manufacturing wages. By the same token, the Board rejects the union's reliance on wages paid in Newfoundland in the pulp and paper industry or by the Canadian Broadcasting Corporation. Wages paid by Newfoundland's two paper mills are simply not a true reflection of prevailing wage rates -- as regrettable as that may be -- and the Canadian Broadcasting Corporation with its nation-wide collective agreement is certainly more of a notable exception, rather than the rule, as far as average wages in Newfoundland are concerned.



Eventually, both parties agreed that they would conduct a more complete and hopefully more representative survey of wages for comparable classifications in and around the St. John's area. One week was allocated for this task, and the parties met before the Board for the fourth time on September 8.

Due to illness the company's nominee, Philip J. Lewis, Q.C., was unable to attend either this or the following meeting of the Board. The company consented to have the Board function without Mr. Lewis. The results of one week of research were disappointingly meagre. Differences in job descriptions and the question of which seniority rank to choose for comparison in cases of a wage scale, placed the parties further apart, rather than closer together. Both seemed to be rather determined to consider primarily -- even if not exclusively -- those figures that would support their previously held positions.

Since no progress whatsoever was made after four meetings, it became very evident that conciliation would probably not lead the parties to a collective agreement. It was therefore agreed that both parties would submit final written argument to the Board and that no further meetings would be held. The second written submission was received on September 23, 1967. The Board met for deliberations the same day.

Before turning to specific recommendations, the Board felt obliged to point to what it considers a major difficulty in the negotiations. The problem here is definitely the difference in the locus of responsibility and that of authority for concluding and for providing the resources to implement a collective agreement.

Although E. M. I. Cossor has the responsibility to negotiate new wage rates, the authority to allocate funds for the increased costs in the operation of the tracking station rests with the National Research Council.

The position of the company is by no means an enviable one, and it is no wonder that the union -- forced to deal with a two-headed negotiation partner -- eventually tends to show somewhat erratic behaviour. In brief, not having a fully authorized and responsible representative of the National Research Council as participant in the negotiations is simply not fair to either the company or to the union.

In addition to the above complicating factor, unfortunate developments at the beginning of 1967 gave rise to the firm conviction on the part of union members that their demands of 9 per cent, 9 per cent, and 9 per cent would be granted without question. Although such may not have been the intention, written and oral communications on the part of the company were definitely capable of being interpreted in that manner by the union members, and a feeling of disappointment and frustration on the employees' part is not surprising.

#### Recommendations

On the basis of all the evidence presented, and having given careful consideration to all factors involved, the Board makes the following recommendations as the basis for concluding a collective agreement between the disputants:

##### Wages

Increases to be given for the three years of the collective agreement at the rate of 8 per cent, 7 per cent, and 7 per cent respectively;

##### Night shift differential

The night shift premium to be increased from 6 per cent to 10 per cent;

##### Travel allowances

Travel allowance to be maintained at its current rate;

##### Work on statutory holidays

Work on statutory holidays to be paid for at the current rate.

Respectfully submitted as the report and recommendations of the Board.

St. John's Nfld., September 26, 1967.

(Sgd.) R. Hattenhauer,  
Chairman.

(Sgd.) E. Thoms,  
Member.

Report of Board of Conciliation and Investigation established to deal with dispute between

Bristol Aviation Services, Montreal International Airport  
and  
International Association of Machinists and Aerospace Workers

The Board of Conciliation and Investigation established to deal with a dispute between Bristol Aviation Services, Montreal International Airport and the International Association of Machinists and Aerospace Workers was under the chairmanship of Marc Brière, Montreal. He was appointed by the Minister of Labour in the absence of a joint recommendation from the other two members of the Board, Marius C. Bergeron, Q.C., Montreal, and Louis Gagnon, City of Laval, Que., who were previously appointed on the nomination of the company and union, respectively.

The report was received by the Minister of Labour in October.

The parties signed a two-year collective agreement on October 1, 1966 and in addition to that agreement, the parties agreed to incorporate in the collective agreement additional provisions among which are those relating to the wage rate of porters. The additional provisions read as follows:

Wage rate

Porters, \$1.50 an hour, which includes an allowance for shift rotation.

It is further understood and agreed that the above wage rate will be subject to review on March 31, 1967.

The parties were not able to resolve the various issues regarding wage rate and the matter was referred to conciliation. The present Board was then appointed.

The chief unresolved items to which the attention of the Board was directed, were the matters relating to the removal of the baggage tag system presently employed; and secondly, the minimum weekly income of the porters.

Regarding the tag system, it is the opinion of the Board that the question of its removal cannot be decided at the present time, and that, moreover, the question is outside the jurisdiction of this Board, which is limited to the revision of the wage rate. Even if the question were considered as part of the entire wage rate question, the removal of the tag system could not be effectively or equitably accomplished in view of the fact that the company is presently subjected to certain contractual obligations presuming the existence of the operation of the tag system.

Nevertheless, considering the inconvenience of the tag system--both to the public and to the porters -- as explained in the union brief, it is the view of the Board that the question should be studied by both parties before the renewal of the collective agreement, which expires September 30, 1968 in order to explore ways and means of improving the situation. That would appear to be the most satisfactory solution, especially in view of the fact that the collective agreement is soon coming to an end and that the tag question, among others, will be opened for examination and negotiation.

The Board wishes to make certain recommendations concerning the actual manner in which remuneration is effected.

The company's proposals remained as follows:

- a) \$1.65 an hour, April 1 to September 30, 1967;  
\$1.75 an hour, October 1 to September 28, 1968;
- b) Shift differential, 15 cents and 20 cents an hour, as stipulated in present collective agreement;
- c) .05 cents on all tags to 45,999 for each four-week period  
.06 cents on all tags over 46,000 for each four-week period  
.07 cents on all tags over 50,000 for each four-week period  
.08 cents on all tags over 54,000 for each four-week period  
.09 cents on all tags over 58,000 for each four-week period  
.10 cents on all tags over 62,000 for each four-week period

The Board must take into account the particular circumstances under which porters must earn their living and remark upon the manner in which their salaries fluctuate during the year.

The Board is of the opinion that it would be in the interest of both parties to take whatever steps necessary to better stabilize the weekly income of the porters.

With that objective in mind, namely to reduce the fluctuation in the wages received by the porters throughout the year, it is the opinion of the Board, (the company nominee dissenting on this point) that the hourly base rate of pay should be raised to \$1.80 an hour on October 1, 1967.

With the same objective in mind, the Board (the union nominee dissenting on this point) recommends that the parties agree on a revised scale of the tag premiums, which, without affecting the monetary mass involved, would accelerate the payment of premiums higher than .05 cents but limit them to a maximum of .08 or .09 cents. By compressing the premium scale, the



porters' weekly income would be more evenly distributed throughout the year at very little, if any, cost to the company. However, since the Board was not furnished with sufficient information concerning that aspect of the problem, it cannot make in this respect a definite and concrete recommendation, although it feels that its suggestion might well be the solution to the present dispute if the parties agree to work it out together, as they should, so that a new scale of premium could be adopted for the one-year period extending from October 1, 1967.

To conclude, it is the opinion of the Board that the company's proposals, on the whole, are quite fair, but that it could easily improve the situation and solve this dispute by making in the structure of payment offered to the union further adjustments as herein above recommended or suggested.

The whole respectfully submitted.

(Sgd.) Marc Brière,  
Chairman.  
Marius C. Bergeron, Q.C.,  
Member.  
Louis Gagnon,  
Member.

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Report of Board of Conciliation and Investigation established to deal with dispute between

Canadian National Hotels Ltd. (Bessborough Hotel, Saskatoon, Sask.)  
and

Canadian Brotherhood of Railway, Transport and General Workers

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The Board of Conciliation and Investigation established to deal with a dispute between Canadian National Hotels Ltd. (Bessborough Hotel, Saskatoon, Sask.) and the Canadian Brotherhood of Railway, Transport and General Workers was under the chairmanship of His Honour Judge E.N. Hughes, Saskatoon, Sask. He was appointed by the Minister of Labour on the joint recommendation of the other two members of the Board, R.H. McKercher, Saskatoon, Sask., and Art Coulter, Winnipeg, Man., who were previously appointed on the nomination of the company and union, respectively.

The report was received by the Minister of Labour in December.

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The Board held hearings with the parties at the court house in Saskatoon on November 7, 8, 9, 10, 20, 21, and 22. The Board again met to deliberate on November 27.

From early discussions with the parties it became apparent that along with the wage question were the very major problems related to flexibility of manpower within the hotel operation. The Board gave its attention to the problem and placed before the parties a number of proposed clauses. The clauses received tentative approval in principle from the parties and at that point in time the Board moved into the realm of the wage question and other related matters.

Toward the close of the hearings it became apparent that the most suitable procedure would be for the Board to draft a completely new collective bargaining agreement. That was done.

The question of wage adjustment presented complex problems for the Board in light of the proposals from each party. Each party recommended that any wage increase should be split between an across-the-board award and the awarding of a differential with respect to certain classes of employees. With respect to the latter suggestion, the views of the two parties in no way corresponded as to the amount or to conditions for qualifying for the differential.

After giving the matter its earnest consideration the Board decided that it was proper to recommend that there be a wage increase applicable to all employees based upon a percentage of what is described in Schedule "A" as the "present rate." If the company feels that for reasons that come within Article 10.5 further increases must be made, then, it is the view of the Board that it could so adjust upwards where deemed appropriate.

Schedule "A" will of course, be part of the collective bargaining agreement. In that document the new sections and groups therein have been clearly set forth. Also set out at the side of the positions within each group are what are accepted by us as being the present rates of pay. It is our unanimous recommendation that each employee receive a 7½ per cent wage increase over and above the present rate, effective August 1, 1967, and that each employee receive a further wage increase of 5 per cent, effective August 1, 1968. The members of the Board have not carried out the mathematical calculations based upon these increases, but presumably the parties will have no difficulty in doing so. The figures will then be extended into Schedule "A". It will be observed in the duration article that the proposal is for a two-year agreement.

The total wage adjustment of 12.5 per cent over two years has been recommended by the Board having in mind not only the needs of employees but the requirements of management to meet competition now and in the future. The flexibility asked for by management has been carefully considered by the Board and in some measure accepted by the Board. It is anticipated that there will result a more efficient operation of the hotel service and an increase in productivity of the work force, and this being so, additional reason for the wage increase will be apparent.

We wish to emphasize that the parties have not viewed the agreement. As indicated, their approval in principle has been forthcoming with respect to the major changes that have been proposed, excepting only that no indication has been forthcoming heretofore from the Board to them as to the wage settlement that is now recommended.

Many hours of study and consideration were given to the problem by the Board members and, they unanimously recommended to the parties that they give every consideration to signing the document in the form that has been proposed. In the Board's view it represents fairness and equity to both parties.

As the new agreement contains many changes, including both alterations and additions, the Board wishes to make the parties aware of the fact that it would be available for any clarification that either might feel necessary.

Dated at Saskatoon, Sask., November 30, 1967.

(Sgd.) E. N. Hughes,  
Chairman.  
(Sgd.) R. H. McKercher,  
Member.  
(Sgd.) Art Coulter,  
Member.

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#### CANADA LABOUR RELATIONS BOARD

##### Reasons for Judgment in Application for Certification affecting

International Brotherhood of Locomotive Engineers and Canadian National Railways and Brotherhood of Locomotive Firemen and Enginemen	Applicant  Respondent  Intervener
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The Board consisted of A. H. Brown, Chairman, and A. J. Hills, J. A. D'Aoust and Gérard Picard, members.  
The Judgment of the Board was delivered by the Chairman.

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This is an application by the Applicant to be certified as bargaining agent for a unit of employees of the Respondent comprising all locomotive firemen, helpers and hostlers employed on the Atlantic Region (excluding the Newfoundland area) and the St. Lawrence, Great Lakes, Prairie and Mountain Regions of the Respondent's railway system.

The Intervener is the present bargaining agent of the employees in this unit and is a party to a collective agreement for a three-year term with the Respondent entered into on April 17, 1964 covering these employees, which is under negotiation for the revision thereof at the present time.

At a hearing of this application held by the Board on August 31 last, the Intervener submitted written evidence that three persons in the proposed bargaining unit claimed as new members in good standing of the Applicant at the date of the application, namely H. E. Pogue of Toronto and S. O'Rourke and J. G. Angers of Senneterre, Que. had not in fact paid membership dues to the Applicant on their own behalf as claimed by the Applicant and so shown on the Applicant's membership records.

The hearing was adjourned until September 26 to enable investigation of the alleged irregularities and to enable the production of witnesses to give oral evidence in respect thereto. In the intervening period and prior to the second hearing, the Applicant advised the Board that as the result of its own investigation of the alleged irregularities it had ascertained that H. E. Pogue did not in fact make a money dues membership payment of \$2 to the local division collector, R. J. Robinson, and that none of S. O'Rourke, J. G. Angers, J. R. Couture, and J. J. Giguere of Senneterre, Que., L. G. Belanger of Taschereau, Que., and J. J. G. Duhaime of Rouyn, Que., all shown in the Applicant's membership records submitted to the Board's investigating officers as members in good standing of the Applicant at the date of the application, had in fact made a money dues membership payment of \$2 to the local division organizer, J. L. Potvin, as reported by the two collectors and as shown in the union membership records shown to the Board's investigating officer.

The evidence at the September hearing on the irregularities may be summarized as follows hereafter. R. J. Robinson of Toronto, Ont., the secretary-treasurer of division 70 of the Applicant was an elected local division officer and participated in the local division membership campaign. J. L. Potvin of Senneterre, Que., the legislative representative of division 137 of the Applicant, an elected local division officer, was the appointed union organizer for the Applicant's membership organization campaign in division 137 territory for the same purpose. Robinson received a mailed signed membership application from Pogue, but it did not include the required money union dues payment of \$2. Robinson's evidence is that shortly thereafter he received a call from Pogue requesting that his membership application be held by Robinson until



Robinson saw there was a majority of the firemen signing and that when he, Robinson, had satisfied himself that a majority had signed up, he then sent forward Pogue's membership application together with a money payment of \$2, the dues payment amount required to establish Pogue's membership in good standing, to the head office of the Applicant at Cleveland, U.S.A. Robinson made this payment out of his own pocket, but he did not report the fact either to the Cleveland office or to the office of the chief organizer of the Applicant's membership organization campaign, J.F. Walter, assistant grand chief engineer and national legislative representative of the Applicant in Canada. Robinson advised Pogue by letter that he had sent forward Pogue's membership application to Cleveland and enclosed with the letter to Pogue receipts for \$2 as membership fees paid by Pogue and asked Pogue to remit the \$2 to him. No payment or reply was received by him from Pogue.

When he met Pogue casually a few months later and renewed his request for repayment, Pogue then, for the first time according to Robinson, stated that he had no intention of repaying him. Pogue's evidence at the hearing is that he told Robinson in the course of a telephone call from Robinson in February 1967 that he would complete the membership application form he had received by mail, but would not forward the \$2 membership payment until such time as the Applicant commenced representing the firemen.

Potvin's evidence is that he canvassed all firemen in his division for membership and that he had received signed membership applications from each of O'Rourke, Angers, Couture, Giguere, Belanger and Duhaime but did not receive any money from any of these persons. He said that all of them had been told by him that it would cost them \$2 and that they could pay this amount to him at a later date. None of them, in fact, did. And he, Potvin, made no subsequent effort to collect from them. He said Angers came to him later in April 1967 and offered to repay him, but he said that he told Angers at that time to forget about it as at that time Angers and the other persons in his division referred to above had been removed from the engineers' membership list following receipt of written withdrawals from membership from them. He said that at the time he secured O'Rourke's application for membership at the latter's home he told O'Rourke that it would cost him \$2 to join, but that he could pay at a later date. O'Rourke's testimony concerning this discussion was that while Potvin told him that the cost of the membership application was \$2, Potvin told him also not to bother with payment when O'Rourke's wife went to get the money. Potvin sent in the signed membership applications received by him from each of the persons mentioned above to the Applicant's office in Ottawa together with a remittance covering a union dues payment of \$2 in respect of each such membership application. Potvin paid the amount of the remittance and included the receipt stubs for the membership dues payment receipts of \$2 which he had signed and sent to each of these persons. He did not tell the Ottawa office of the Applicant that he had not in fact received any union dues payment from any of these persons.

The membership returns thus made by Potvin and Robinson as regards membership dues payment and evidence by way of receipt stubs of union dues payments collected by them were thus deliberately incorrect and misleading. Both of these local division officers in their attitudes in the giving of their evidence and in their actions as disclosed in the evidence showed, in the opinion of the Board, at the best an indifferent understanding and irresponsible appreciation of the instructions received for collection of membership fees from new applicants for membership. This appears to denote, in part at least, a failure by the responsible senior officers of the Applicant to bring home to their local division officers and organizers the full import or importance of compliance with the membership requirements for the purposes of the application.

Mr. Walter was in charge of the Applicant's organizing campaign and was responsible for the assembly and production to the Board's investigating officer of the evidence of membership in good standing required by the Board for the purpose of its consideration of the merits of the application for certification. He signed the application for certification on behalf of the Applicant. According to the evidence, Mr. Walter appointed one organizer for each of the Applicant's 63 Canadian local divisions for the purposes of the organization campaign, with authority in the case of a few larger divisions to employ additional organization assistance. A standard letter enclosing organizing instructions and kits was sent forward by Walter to each of these division organizers, including instructions that in the signing of new members it was necessary to collect \$2, which would cover the first two months dues and also meet the requirements of the Canada Labour Relations Board. Thereafter, and apart from these formal instructions, the local division organizers apparently carried on their field organizing activities independently and without further followup checks or instructions. The completed membership applications and membership fees collected by them, with a few exceptions, were forwarded directly to the Applicant's head office in Cleveland, with one of these exceptions being division 137 where these returns were sent in by Potvin to Walter's Ottawa office.

Nevertheless, at the time of the production of the evidence of membership and membership payments to the Board's investigating officer at the Applicant's Ottawa office Mr. Walter signed on behalf of the Applicant a declaration on the Board's form 31. It included the following statements:

3. That all union dues and application fees recorded as received from or paid by any such employees for or within the period commencing on the first day of the third month preceding the calendar month in which the application is made and ending upon the date of the application, as shown on the union records, have been actually made and paid to the union by the said person on his own behalf or on his order;
4. That, where the documentary evidence consists of signed applications for membership and/or receipts or other personal acknowledgments of payment on account of dues or initiation fees, I have personal knowledge (or -- I have made diligent inquiries) concerning the collection of such dues or fees, and on the basis of such knowledge (inquiries), I have satisfied myself that the persons signing cards as applicants for membership, and the persons whose names appear on receipts as payees, have actually paid on their own behalf the membership dues or initiation fees attested to by the documents as having been received from them.

The Board must of necessity rely heavily upon the Applicant to ensure the accuracy and validity of the evidence of membership in good standing produced by the Applicant's representatives to the Board's investigating officer and required by the Board in its inquiry and determination of the validity of the membership claims made by the Applicant in its application for certification. The extent of such reliance is even more than normally accentuated in the present instance in view of the fact that the membership claimed in the proposed bargaining unit of some 1,800 to 1,900 employees is widely dispersed across the Respondent's railway system in Canada. As a matter of standard practice the Board requires the senior officer of the applicant union responsible for the production of the union membership records of the Board's investigating officer, as in the present instance, to accept direct responsibility for the accuracy and validity of the membership records so produced and requires the completion by him of a declaration in form 31 cited above on the union's behalf.

It is the responsibility of the senior officers of the union to bring home to the local officers of the union and organizers under their control engaged in the membership organization and signup campaign preceding the application for certification the necessity for complete compliance with the Board's requirements of membership in good standing and the evidence thereof for certification purposes. The measures taken by the union must provide all reasonable assurance to this end. We do not ascribe to Mr. Walter, the Applicant's senior officer for the purposes of this application, any lack of good faith on his part in his completion of the declaration in form 31, but we are of opinion that the form was completed without whatever follow through may have been necessary to check and assure on the reliability of the organizers' returns. The Applicant must accept responsibility for the irregularities in the actions of its local division officers that have been brought to light.

The Applicant's senior officers in charge of the membership drive should be fully familiar with the Board's requirements in respect of membership in good standing as the Applicant has been a party to several applications to this Board for certification of railway employees over the past several years.

In the circumstances and in the light of the evidence a serious doubt has been raised as to the accuracy of the evidence of membership returns produced for the other 61 local divisions under the same conditions. In the result the Board does not consider that it can place reliance upon the accuracy and validity of the evidence of membership in good standing submitted by the Applicant in the circumstances disclosed herein and rejects the application accordingly.

Dated at Ottawa, Ont., October 13, 1967.

(Sgd.) A.H. Brown,  
Chairman, for the Board.

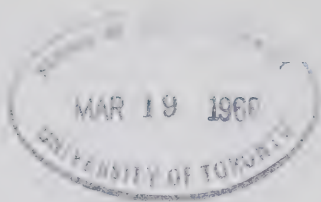












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No. 9, 1967.

# CONCILIATION BOARD REPORTS



Conciliation Board Reports in disputes between

Eastern Provincial Airways (1963) Limited and International Association  
of Machinists and Aerospace Workers

Blue Peter Steamships Limited and Canadian Merchant Service Guild



A LABOUR GAZETTE SUPPLEMENT

CANADA DEPARTMENT OF LABOUR

Hon. John R. Nicholson, Minister

George V. Haythorne, Deputy Minister





## CONCILIATION BOARD REPORT

Report of Board of Conciliation and Investigation established to deal with dispute between

Eastern Provincial Airways (1963) Limited, Gander, Nfld.  
and  
International Association of Machinists and Aerospace Workers

The Board of Conciliation and Investigation established to deal with a dispute between Eastern Provincial Airways (1963) Limited, Gander, Nfld. and the International Association of Machinists and Aerospace Workers, Lodge 1763, was under the chairmanship of J.W. Conway, St. John's, Nfld. He was appointed by the Minister of Labour on the joint recommendation of the other two members of the Board, A. G. Henley and Boyd Rowe, both of St. John's, Nfld., who were previously appointed on the nomination of the company and union respectively. The Board has reported settlement of the dispute. The report was received by the Minister of Labour in November.

The Board met in St. John's, Nfld. on September 19, 1967 to hold preliminary discussions prior to the calling of hearings. Formal hearings began in Gander on September 22, 1967.

This dispute resulted from negotiation of a contract between the company and the union to replace a contract that expired May 31, 1967.

The negotiating committees of the company and the union had come to agreement on the terms and conditions of the contract, which included a wage increase of approximately 5 per cent. The terms and conditions were voted upon by the union membership and rejected by a vote of 135 to 16. There were 210 members in the union.

After further negotiation, company and union representatives again reached agreement on a company offer of a wage increase of approximately  $8\frac{1}{2}$  per cent. The union membership rejected the offer by a vote of 116 to 36.

In a further negotiating session the company offered a wage increase of approximately 10.7 per cent. The union membership rejected the offer by a vote of 63 to 61.

A union membership meeting was held at Gander on August 7, 1967. The membership was urged to vote again on the company's latest offer. The proposal was rejected.

A conciliation officer had been appointed and was active in the proceedings that resulted in agreement of the negotiating teams.

By way of clarification, it should be stated that the percentage wage increases referred to throughout this report represent averages only and that there were, of course, proportionate differences throughout the wage scales offered.

During the hearings the Board accepted argument and evidence from the disputing parties, and held discussions with both parties present and with each party separately.

It immediately became apparent that it was not necessary to direct conciliation efforts toward either of the negotiating teams -- both groups having been in agreement for some time. However, a stalemate did exist due to the fact that the company would not agree to any further wage increases and, the union would not hold further membership votes on the company's latest offer.

After consideration of the union vote results, the Board concluded that the latest union vote on the agreement was not truly representative. Only 124 members cast ballots. In addition, there was evidence indicating that a sufficient knowledge of the facts and issues at stake may have been unknown to some of the union membership.

The Board felt that the best course of action would be to provide some stimulus to the union representatives in order to give them an opportunity to hold another vote.

Accordingly, the Board unanimously and strongly urged the union representatives to take another vote as soon as possible. The Board also urged the representatives to take satisfactory steps to ensure that each voting member was aware of the issues at stake and that the union executive was in favour of accepting the company's offer. The union representatives agreed to the suggestion.

The voting took place and the Board met with the company and union representatives at Gander on October 6, 1967 to hear the results, which favoured acceptance of the company's last offer by a margin of 83 to 79.

The wages and working agreement was not ready for signature at that time. but the following memorandum or agreement, dated October 6, 1967, was signed by all parties concerned.

It is hereby agreed by the signatories of this document, viz, the International Association of Machinists and Aerospace Workers, Lodge 1763 and Eastern Provincial Airways (1963) Limited that the terms and conditions of the Wages and Working Agreement as proposed by the Company, confirmed by Union vote on October 4th and reported to the Conciliation Board on this date, are hereby accepted.

Signed at Gander, Newfoundland on October 6, 1967.

For International Association  
of Machinists and Aerospace  
Workers

Bond Elliott

Brad Taylor

For Eastern Provincial

Airways (1963) Limited

Jas. Lewington

Brian Jones

H. G. Kelly

The Board is therefore pleased to report that agreement has been reached by the disputing parties in relation to the matters referred to it for conciliation.

Signed at St. John's, Nfld., November 1, 1967.

(Sgd.) J.W. Conway,  
Chairman.

(Sgd.) A. G. Henley,  
Member.

(Sgd.) Boyd Rowe,  
Member.

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Report of Board of Conciliation and Investigation established to deal with dispute between

Blue Peter Steamships Limited, St. John's, Nfld.  
and  
Canadian Merchant Service Guild

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The Board of Conciliation and Investigation established to deal with a dispute between Blue Peter Steamships Limited, St. John's, Nfld. and the Canadian Merchant Service Guild was under the chairmanship of Rolf Hattenhauer, St. John's, Nfld. He was appointed by the Minister of Labour on the joint recommendation of the other two members of the Board, Francis J. Ryan, Q.C., St. John's, Nfld. and Charles Moulton, Halifax, N.S., who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister of Labour in November.

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The Board held its first meeting with the disputing parties on November 4, 1967. At that hearing both parties presented their views in briefs to the Board. Since these briefs contained certain new proposals, and since there seemed to be some misunderstanding about conclusions reached during previous negotiations, both parties requested, and the Board agreed, that the next meeting should not take place before November 6. The second meeting was held on that date.

The major issues in dispute were: remuneration, including wages and overtime pay; hours of work, including the standard work week and leave with pay; union security, the Guild seeking a modified Rand Formula (agency shop).

On November 7 it became evident that no agreement could be concluded to the complete satisfaction of both parties. Consequently, no further hearings were scheduled. However, on the basis, of the evidence presented to the Board, the accompanying draft agreement is recommended for acceptance as collective agreement by both parties.

(Editor's note: A brief summary of the draft agreement accompanies the Board report).

Respectfully submitted as the unanimous report and recommendation of the Board.  
Signed at St. John's, Nfld., November 14, 1967.

(Sgd.) R. Hattenhauer,  
Chairman.

(Sgd.) Charles A. Moulton,  
Member.

(Sgd.) F.J. Ryan,  
Member.



# SUMMARY OF DRAFT AGREEMENT

The draft agreement made recommendations concerning strikes and lockouts, disputes and appeals, hours or work, transfers, safety and emergency duties, vessels out of commission, annual vacation, statutory holidays, subsistence allowances, travelling expenses, marine disaster, uniforms, welfare benefits, representative passes, seniority and promotions, occupational classifications and remuneration, additional vessels, pensions, education and upgrading, clarification and interpretation, effective date of agreement and termination.

The draft agreement proposed the scale of remuneration following:

<u>Vessels</u>	<u>Officer Rank</u>	<u>Effective Nov. 1, 1967</u>	<u>Effective July 1, 1968</u>	<u>Effective March 1, 1969</u>
Blue Cape	Chief Eng.	\$600.00	\$625.00	\$650.00
Blue Trader	1st. Mate	475.00	500.00	525.00
	2nd. Eng.	475.00	500.00	525.00
	2nd. Mate	400.00	425.00	450.00
	3rd. Eng.	400.00	425.00	450.00
Blue Peter	Chief Eng.	650.00	675.00	700.00
Blue Cloud	1st. Mate	525.00	550.00	575.00
Blue Spruce	2nd. Eng.	525.00	550.00	575.00
	2nd. Mate	450.00	475.00	500.00
	3rd. Eng.	450.00	475.00	500.00

The draft agreement proposed the scale of remuneration for overtime work following:

<u>Officer Rank</u>	<u>Effective Nov. 1, 1967</u>	<u>Effective July 1, 1968</u>	<u>Effective March 1, 1969</u>
First Mate	\$1.75	\$2.00	\$2.25
Second Mate	1.50	1.75	2.00
Second Engineer	1.75	2.00	2.25
Third Engineer	1.50	1.75	2.00









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No. 1, 1968

# **CONCILIATION BOARD REPORTS together with CLRB REASONS FOR JUDGMENT**

## **Conciliation Board Reports in disputes between .**

Canadian National Hotels Limited (Fort Garry Hotel, Winnipeg, Man.) and  
Canadian Brotherhood of Railway, Transport and General Workers  
Hudson Bay Mining and Smelting Company, Limited, Flin Flon, Man. and  
Association of Flin Flon Trade Unions.

## **Reasons for Judgment in applications affecting**

International Brotherhood of Teamsters, Chauffeurs, Warehousemen and  
Helpers of America and  
Buffalo and Fort Erie Public Bridge Authority



**A LABOUR GAZETTE SUPPLEMENT**

**CANADA DEPARTMENT OF LABOUR**





## CONCILIATION BOARD REPORTS

Report of Board of Conciliation and Investigation established to deal with dispute between

Canadian National Hotels Limited (Fort Garry Hotel, Winnipeg, Man.)  
and

Canadian Brotherhood of Railway, Transport and General Workers

The Board of Conciliation and Investigation established to deal with a dispute between Canadian National Hotels Limited (Fort Garry Hotel, Winnipeg, Man.), and Canadian Brotherhood of Railway, Transport and General Workers was under the chairmanship of R.A. Gallagher, Q.C., Winnipeg. He was appointed by the Minister in the absence of a joint recommendation of the other two members of the Board, K.G. Houston and Art Coulter, both of Winnipeg, who were previously appointed on the nomination of the company and union, respectively. The report of the chairman and Mr. Houston constitutes the report of the Board. A minority report was made by Mr. Coulter. The reports were received by the Minister of Labour in January.

The Board had many meetings with the parties. Some of them were held with the parties individually, and others with both parties present. The parties were given full opportunity to explain their many requests, submit material to support them and also to express their views on the requests of the other party.

Unfortunately the positions of the parties with respect to the crucial area of wages, differentials and certain other matters were so far apart that it was impossible for the Board to effect agreement between them.

As well as the problem areas referred to, it became apparent early in the Board's discussions with the parties, and particularly the company, that one of the greatest problem areas lay in the company's assertion that outmoded work rules embodied in the existing collective agreement (and prior agreements) were hampering the company in the utilization of the work force and impairing the efficiency and quality of the hotel's operation.

The Board is satisfied that in a basic service industry, such as the operation of a hotel, a working agreement designed for the operation of a railroad in another day and age only has the effect of retarding the proper and efficient operation of this hotel, with an impact that is felt in many areas of life, but particularly the financial area, by both management and employee.

The same problem was raised at the Bessborough Hotel in Saskatoon, Sask., where conciliation proceedings were being carried on at almost the same time as in this case. This Board had the benefit of the experience there, but we would point out that a draft collective agreement submitted to the disputing parties in this case represents the views of this Board as to the type and form of an agreement that will serve the interests of both parties.

The draft agreement (not reproduced here) is, therefore, made part of this award. In the main, and with the exception of the wage schedules, the provisions of the draft agreement have been approved by both parties in principle and in several areas where the principle, but not the language, was agreed upon, the Board endeavoured to set the principle down clearly in writing.

The remaining area of controversy, probably the most important area of all between the parties, is that of wages and differentials.

It is to be observed that the last collective agreement between the parties was for a period of three years, from August 1, 1964, to July 31, 1967. The wage increase over that period of time approximated eight per cent, or slightly better.

In the same period of time, however, the cost of living rose by some 14 to 15 points. So far as the Board can accurately estimate, that approximated 10 per cent or 11 per cent of an increase in such costs.

In dealing with the matter of wages there are many factors that must be kept in mind. Among them are the availability of manpower at existing wage levels; the competitive position of the hotel in relation to the immediate area being served; the capacity of the employer to pay further wage increases; the position of the employee in relation to the society in which he lives and works.

In the present case there is no doubt that the Fort Garry Hotel is favoured with a group of dedicated, faithful employees. Of 188 employees, 99 have more than 10 years of service; 68 have more than 15 years of service. That indicates, to some extent, that the wages and working conditions in the hotel have been satisfactory and attractive enough to retain a major part of the work force.

The hotel's position has been one of some difficulty. It has had to operate in a highly competitive market in a city that is, in the Board's view, overbuilt with hotels and motels. That is not the employees' fault; neither is it the fault of the company. It is merely stated as a fact of life. In that climate, the company since 1955 has had some 11 years of consistent losses. During the past few years the hotel has undergone an extensive program of refurbishing and remodelling, at substantial expense. Operational efficiency has increased substantially and both employees and management deserve great credit for that development. As a result, the picture in 1966 turned from one of loss to one of profit and the year 1967 appears to be a slightly better one than 1966 was.

Consequently, the Board is dealing with the case of a hotel that has had a number of difficult financial years, coupled with a work force of efficient and dedicated employees who have enjoyed a social standing in their area of employment superior to that of most other employees in the same industry in the Greater Winnipeg area.

The Board has considered all of the foregoing factors, and many others. It has, as a result, come to the conclusion that the parties should enter into a two-year contract, effective August 1, 1967 (except as to wages and differentials) and expiring July 31, 1969. The Board also believes that a general wage increase effective December 1, 1967 should be an average of three per cent, with differentials of approximately two per cent, effective the same date.

The Board also feels that effective August 1, 1968 there should be an additional general wage increase on the average of four per cent, with additional wage differentials of approximately one per cent for the same classifications that received differentials in the prior year of the contract.

The Board bases its award in that area on the fact that under the last agreement the cost of living exceeded the increases granted over the three-year period by approximately three per cent or four per cent and the projected rise in

the cost of living during the future life of the agreement is expected to be about four per cent each year.

The Board wishes to emphasize that the above increases in terms of percentages are related to the group of employees as a whole, and the said increases are being recommended on the basis of group relationship and social fairness, and that such increases will not work out equally in terms of percentages for each individual employee.

This Board wishes to thank both parties for their frankness, sincerity and candour in discussions with the Board. The Board notes the excellent spirit existing between the parties and feels it augurs well for a settlement of their present problems and also for their future relationships.

Signed at Winnipeg, Man., this 6th day of January, 1968.

(Sgd.) R.A. Gallagher,  
Chairman.

(Sgd.) K.G. Houston,  
Member.

#### MINORITY REPORT

I find substantial agreement with the terms of the agreement contained in the majority decision submitted by the other members of this board. The exceptions are statutory holidays and wages, including the premise upon which the majority report rests its decisions.

Although the Fort Garry Hotel is competing with other hotels and restaurants in the city, it is, nevertheless, managed and owned by a crown corporation of the federal government and as such cannot do other than responsibly recognize labour standards established by federal statute. That has been indicated by its recognition of the Canada Labour (Standards) Code in 1965 when adjustments were made to meet the new minimum wage of \$1.25 an hour. I wish to point out in passing that the provincial minimum wage at that same time, with which the hotel's competitors had to comply, was 75 cent an hour.

Federal legislation includes Remembrance Day as a statutory holiday. I therefore contend that it should be added to the list of statutory holidays in this agreement.

On the question of wages, the majority report of this board fails to meet the situation. It begins by recognizing the many long-service employees still with the hotel, and implies that as they are still with the hotel, they must be satisfied with their lot. It obviously fails to recognize that they have been bound up in a three-year agreement and have been waiting during those three years for a chance to negotiate, in the hope of then catching up to practically all other citizens who have been sharing in this country's great affluence. The report also fails to indicate that older employees are somewhat locked into their jobs through personal security provisions, such as pensions tied to their jobs. They are not prone to give up the ship, particularly where they are in a fine, prestige hotel that is being deluged with business and has a bright future.

It fails to appreciate that wages, traditionally, have outstripped the actual cost of living by at least 2 to 1, which

accounts for the ever-increasing standard of living and affluence. The past three years have been no exception.

It recognizes the "shortfall" from the previous agreement, even to keeping pace with the cost of living, but fails to award the meagre increase retroactive to August 1, 1967, the commencement date of the agreement.

It fails to appreciate the more favourable position that the Fort Garry Hotel is in, due to the fact that its competitors must meet provincial minimum wages that have risen from 75 cents an hour in 1964, the commencement of the previous agreement, to \$1.10 an hour today -- some 35 cents an hour -- and will actually meet the federal minimum of \$1.25 an hour on December 1, 1968.

For the foregoing reasons I recommend, commencing August 1, 1967 that an across-the-board increase of 10 per cent be awarded, plus the differentials offered by the hotel and included in the majority award; that commencing August 1, 1968 a further increase of 8 per cent be awarded, plus differentials offered by the hotel and included in the majority award. In addition to the foregoing, additional adjustments should be made to bring tradesmen's wages within 10 per cent of those contained in the Construction Industries Wages Schedules of the Province of Manitoba.

This member of the board regrets he must register his utter dismay at the lack of responsible bargaining by the company representatives. It seems that the name of the game is give nothing and let the third party make the decisions. That attitude, and the use of boards in general, fails dismally in establishing mature labour-management relations and, indeed, respect between the parties. In all, a sad commentary on the present federal system.

Respectfully submitted,

(Sgd.) Art Coulter,  
Member



Report of Board of Conciliation and Investigation established to deal with dispute between

Hudson Bay Mining and Smelting Company, Limited, Flin Flon, Man.  
and  
Association of Flin Flon Trade Unions

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The Board of Conciliation and Investigation established to deal with a dispute between the Hudson Bay Mining and Smelting Company, Limited, Flin Flon, Man., and the Association of Flin Flon Trade Unions was under the chairmanship of George A. Keates, Winnipeg. He was appointed by the Minister on the joint recommendation of the other two members of the Board, Henry B. Monk, Q.C., and W. Steward Martin, Q.C., both of Winnipeg, who were previously appointed on the nomination of the company and union, respectively. The report of the chairman and Mr. Martin constitutes the report of the Board. A minority report was made by Mr. Monk. The reports were received by the Minister of Labour in January.

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All parties attended the hearings of the Board. The Association and the company submitted extensive and well documented briefs, setting forth their views on the matters at issue.

Extensive discussions were held by the Board with the parties, and the nominees to the Board met separately with the Association and the company.

In order to properly understand the matters at issue between the parties, it was necessary to appreciate the background surrounding the collective bargaining relationship that existed between the parties for many years. The unions involved may, in general terms, be referred to as craft unions. Around 1945, the various craft unions organized the employees of the employer, and subsequently, the workers who were not identifiable on a craft basis were organized into a local called the Flin Flon Base Metal Workers. That unit was originally affiliated with the Trades and Labour Congress. It, in general terms, was a national congress made up of trade unions with craft orientation.

In due course these workers elected to obtain certification from the Canada Labour Relations Board. Prior to that, collective bargaining with the various unions holding representation rights with the employer occurred through joint negotiations with representatives of the various crafts and the Base Metal Workers Union and is evidenced by the agreement that became effective on September 16, 1965. All of the various unions became parties to one collective bargaining agreement embodying common contract language. During the negotiations that have involved the employer during 1967 all the trade unions, with the exception of the United Steelworkers, which, as noted, obtained successor bargaining rights from the Flin Flon Base Metal Workers, bargained jointly together and the Steelworkers bargained independently pursuant to their certification.

The Steelworkers exercised their rights as a successor trade union under the provisions of Section 10 (c) of the Industrial Relations and Disputes Investigation Act and provided two months notice of termination of the collective bargaining agreement that the Flin Flon Base Metal Workers had entered into. That notice appears to have been provided on March 22, 1967. Negotiations between the Steelworkers and the employer appear to have commenced on May 11, 1967. The employer attempted to persuade the trade unions involved in this dispute to negotiate jointly with the Steelworkers, with the hope that one collective bargaining agreement could be obtained, similar to the situation that had existed in the past. The facts are that joint negotiations between the two groups did not occur. It is also fair

to say that as evidenced by what the Board heard, there appears to be a substantial difference in objectives in philosophies between the collective bargaining objectives of the Steelworkers and the various other trade unions involved in this dispute.

The dispute between the Steelworkers and the employer became subject to a report and recommendations of a conciliation board under the provisions of the Industrial Relations and Disputes Investigation Act. That report was handed down September 22, 1967. The chairman of the board and the two nominees failed to agree unanimously on all matters in dispute, and both nominees tendered written reports in which they concurred and disagreed with certain recommendations made by the chairman. Subsequent to the handing down of the report and recommendations of the conciliation board on the Steelworkers' dispute, the parties were able to enter into an agreement on October 4, 1967. It is interesting to note that certain of the recommendations of the majority of the Board did not find embodiment in the collective bargaining agreement entered into between the parties.

Thus, this Board has in front of it on one hand, recommendations formulated by a board of conciliation and investigation composed of gentlemen of the legal profession who are at variance with the specific terms that the employer and the union have elected to incorporate in the collective bargaining agreement. On the other hand, the Board appreciates the practical problems involved in attempting to suggest that there should be a substantial divergence of fringe benefits and working conditions between the two groups of employees engaged in the operation of the employer's facilities. Thus, if the Board did not have before it the agreement to which the employer had committed itself with the Steelworkers, it is possible that, in many of the issues that have been jointly submitted in the instant case for recommendation, issues that are similar to the issues submitted to the earlier Board, this Board would have formulated the same opinion. However, the interest of attempting to recommend a viable formula under which the employer can live harmoniously with two different trade union groups compels this Board to substantially attune its recommendations to the committed position already taken by the employer.

It should be noted that the employer in representations before this Board has taken the firm position that contract language, termination date, rates of pay, and other items that are of common interest to both trade union groups, should be handled identically. The trade unions have taken

the same type of attitude and have held that the contract language that their group has been able to get the employer to accept in the past should remain, and that a wage schedule that is appropriate for a group of workers orientated toward industrial organization is not appropriate to a group of workers organized on a craft basis. In other words, it would appear that the craft unions are saying: "no matter what you settle for with the Steelworkers, by definition we insist upon a different type of settlement -- one that will guarantee to our members that they are recognized as being different from the employees whom the employer engages and who are covered by the Steelworkers' Agreement."

This Board has reviewed the various certifications of the unions comprising the Association. The union members of the Association are craft union, but their certifications include categories, which, in many instances, are not strictly craft unions. That results in allowing the occupational classifications, as certified to the various unions, to cut through and across the various departments and plants of the company, and, in some instances, also to cut through different categories of a single occupation. Some departments and plants of the company have employees from as many as five different unions in their work force, and, indeed, an employee may be working in a classification of employment where, if promoted, he falls into the certification of a different union when he changes his employment in the same department.

The Steelworkers represent approximately 1,600 of the employees of the company. The Association represents approximately 700 employees, and there are approximately 500 employees who are not represented by any union.

The Association and the Steelworkers elected to negotiate with the company separately, and, as a result, the Steelworkers were successful in negotiating an agreement that is now in effect in relation to a majority of the company employees. Many of the classifications of employment for which the Steelworkers are certified require skills that have been for years regarded as equal to those required in the classifications certified to the Association. The company has prepared a wage schedule designed to increase the wage differential between the skilled worker or tradesman or the less skilled, and this has been accepted by the Steelworkers on behalf of their bargaining unit.

On the other hand, the Association has taken the stand that they are entitled to bargain with the employer for a scale of wage rates, etc., more directly orientated to classifications of employment covered by craft union certification. As a result, the Association is unwilling to accept a scale of wages which they feel has not been negotiated on the basis of craft union requirements.

#### Issues in Dispute

##### Management rights -- Article 3.03

The company submitted to the union a management rights clause in identical form to the management rights clause contained in the collective bargaining agreement entered into by the company with the United Steelworkers of America, Local Union 7106.

##### Company proposal:

The company agrees that any exercise of rights and powers under this Article in conflict

with the provisions of this agreement shall be subject to the provisions of the grievance procedure.

##### Union proposal:

The above statement of management rights is subject to the provisions of this agreement, and any complaint or dispute concerning the exercise of any such prerogative shall constitute a grievance within the meaning of this agreement.

The union's objection to the company's wording was stated as being "a lack of clear understandable description of intent." The Board suggests as an alternative the following:

The company agrees that the exercise of management rights and powers under this article is subject to the terms of this agreement, and any such exercise of rights in conflict with provisions of this agreement shall be subject to grievance procedure.

##### Duration of agreement

##### Company proposal:

A three-year agreement with an effective date of October 1, 1967.

##### Union proposal:

A two-year agreement with an effective date of April 16, 1967.

The company's argument for a three-year agreement is based on its desire to have operative collective bargaining agreements governing its employees expire during the same year. The union advocates a two-year agreement on the grounds that the term constitutes the maximum length in which it is possible to forecast or anticipate possible changes in the economy and the cost of living. The union further argues that the pattern of the craft union is not to enter into collective bargaining agreements for periods longer than two years. They further argue that the carrying on of negotiations between the industrial union group and the craft union group, during the same period, will have the effect of attempting to impose the same type of settlement on both groups. The justification for having the agreement effective April 16, 1967 arises from the fact that the prior agreement covering the industrial workers was circumvented by the Steelworkers' application for certification, which by law placed the Steelworkers in the position to terminate the agreement prior to its normal expiration date. The union argued that the company saw fit to grant workers, formerly covered by the agreement that became effective on September 16, 1965 a wage adjustment as of April 16, 1967 and therefore a similar pattern should be followed in these negotiations. There is an inconsistency in the union's argument. The union cannot argue on one hand that it should be entitled to have a two-year agreement on the grounds that this type of agreement covers the prevailing pattern, and then argue that it should have the benefit of an effective date that occurred because of the consummation of a three-year agreement.

If a term of two years is adopted, then the company would be engaged in collective bargaining with one or other



of the representatives and its employees in the years 1969 and 1970, and if the pattern is continued in 1971, 1972 or 1973 depending on the duration of the agreements that were then negotiated.

In the view of the Board, it would not be beneficial for the company, the employees, or the community, to be engaged in negotiations and to be under the threat of industrial strife nearly every year. The Board therefore recommends that the agreement should be for a term of three years, expiring September 16, 1970.

#### Hours of daily, weekly, and overtime work -- Article 5, Section 5.02

##### Company proposal:

Standard rates will be paid to all hourly-paid employees on the basis of a 40-hour week, as agreed between the company and the union. A standard work day is eight hours with time and one half being paid for all overtime, except that hours worked in excess of eight hours a day or 40 hours a week to accomplish the regularly scheduled change of shifts or work schedules will not be considered overtime.

##### Union proposal:

The basic work week is made up of five days, Monday through Friday, commencing Monday at 8.00 a.m. Exceptions may be made by mutual agreement for certain classifications of employees on continuous shift work. A standard work day is eight hours, with time and one half being paid for all overtime.

The union argues that specific definition of standard working hours should be set forth in the agreement. The company is concerned about the necessity of maintaining flexibility in its operations. Taking all factors into account, the Board recommends that Article 5, Section 5.02, as proposed by the company, be amended to include the following:

The company shall be vested with the authority of establishing the hours of shift schedule, subject to the shift premiums of the agreement, with the proviso that these schedules be published to the employees concerned, and, except in cases of emergency, no change in shift schedules be implemented without providing 48 hours notice.

#### Reporting allowance -- Article 6, Section 6.01

##### Company proposal:

In the case of a temporary reduction of force due to breakdown, accident or other emergency, the company will endeavour to notify the employees affected not to report for work. However, should the company be unable to notify employees affected by such breakdown, accident or other emergency, and the employees do report for work and there is no work available, such employees will not be entitled to reporting allowance.

##### Union proposal:

Deletion of Section 6.01 in its entirety.

The company is attempting to maintain consistency with the wording as contained in the Steelworkers' agreement. The union argues that this section is drafted in too broad a manner to be fair and equitable in its administration. The Board cannot accept the union's contention, and no evidence was presented by the Association that would support their contention that the section is so broadly drafted that it would result in unfair or inequitable administration. The section, as drafted, was apparently acceptable and worked satisfactorily under the previous agreement.

The Board, therefore, unanimously recommends that Section 6.01 be retained.

#### Establishment of new job classifications -- Article 8, Section 8.02

##### Company proposal:

In the event that any new occupation classification shall be established by the company during the currency of this agreement, the company will fix the rate therefore, and shall give prompt notice thereof to the union. The union shall have the right, within 14 days of receipt of such notice, to request a meeting with the company to discuss the wage applicable to the new classification established by the company. If, as a result of any such discussions, the wage rate applicable to the new classification is changed, then payment of the wage rate as changed shall be made retroactive to the date of the new classification.

The unions request that in the event of the establishment of a new job classification, all the unions should be informed and be allowed adequate time for the affected unions to establish their claim. The unions argued that there may be jurisdictional disputes between the various unions concerning the applicable classifications.

The Board, therefore, recommends that the section be amended to include the following:

The company agrees to provide notice to all unions concerning the establishment of all new job classifications. In the event that the affected unions agree as to which union should have jurisdiction, then negotiations shall occur between the unions so selected and the company, regarding the applicable wage rate.

In the event that the affected unions cannot agree concerning jurisdiction, then the company shall have the right to make the designation unilateral and binding upon the parties.

#### Article 9 -- Seniority

##### Union proposal:

Seniority on a bargaining unit or department basis.

Company proposal:

In all cases of upgrading, downgrading, increase or decrease of forces, the following factors shall be considered:

- (a) Length of continuous service;
- (b) Ability, skill and physical fitness; and
- (c) If, when the company is considering the merits of persons involved in this article, the factors of ability, skill and physical fitness appear to be relatively equal, length of continuous service will be based on company service rather than department service.

The Board recommends that seniority be on a company-wide basis.

Welfare plans

Company proposal:

The following welfare plans are recognized as being in effect in accordance with their respective terms and with all rights of discontinuance, change or amendment reserved to the company as specified in each plan:

Apprentice plan, vacation with pay plan, group life insurance, retirement pension plan, non-occupational accident and sickness benefit plan, Hudson Bay Mining Employees' Health Association, Hudson Bay Mining Employees' Death Benefit Plan.

Union proposal:

The company agrees to continue its financial support of all welfare plans that were negotiated and became effective at the signing of the agreement.

With regard to the various welfare plans set forth in a January 1964 booklet entitled "Welfare Plans," suffice it to say that all of the plans have been working very satisfactorily over the years, and give broad coverage to members of both bargaining units as well as to a large group of employees, widows and pensioners, not covered by any collective agreement.

The success of those plans is undoubtedly attributable to the appreciation by all parties of the desirability of continually amending the terms of the various plans to keep them capable of dealing with changes in the whole field of social welfare, including government-sponsored plans. That has been accomplished in a large measure by the fact that the plans are administered by elected representatives of the employees, in cooperation with appointed company officials.

There was no evidence before the Board to indicate dissatisfaction with the operation of the plans, but rather that the Association feels there is a possibility that the attitude of the company would change, resulting in deterioration of benefits and protection to the individual.

On that point, the company indicates it has already written to executives in charge of the respective plans, giving assurance that, for a period of at least three years, it does not intend to exercise any existing rights of discontinuance, change or amendments, so as to reduce its support of the plan, unless or until federal or provincial

legislation is enacted or altered to affect any of the terms of the plans as presently constituted. The company has further advised the health association that when legislation affecting the plan does come into effect, it is the company's intention to continue its present payment of \$8.36 for each employee, each month, toward the health services.

The union's suggestion is that these written commitments of the company are not binding and, if a more definite commitment is required, the Board recommends that the company provide a covenant to the appropriate officers of the various plans, to the effect that it will continue its financial support of the various welfare plans in the same terms as specifically set out in the aforementioned letters.

With respect to the apprentice plan and vacation with pay plan, the Board is of the opinion that both are more properly within the scope of normal collective bargaining and should not be listed in Article 13, but be covered by separate articles in the collective agreement.

With particular respect to the apprenticeship plan, the union requests an increase in the starting rates from 40 per cent to 60 per cent. The Board recommends that the starting rate be increased to 50 per cent as will be provided in the new Manitoba government schedule. The increase becomes effective January 1, 1968.

The Board also believes that the question of the inclusion of the Industrial Mechanics Trade Apprenticeship course in the present plan, and the reduction of the Boiler Makers and Machinists apprenticeship by one year, are matters that should be taken under consideration by the apprenticeship committee, and that both parties should accept the recommendations of that committee.

The Board so recommends.

Vacation with pay plan

Union proposal:

1 to 4 years -- two weeks vacation, plus four days.

5 years to 14 years -- four weeks vacation, plus one day.

15 years and over -- five weeks vacation, plus three days.

In addition two days travelling time to be added to each scale.

Company proposal:

Vacations as presently in effect under previous agreement plus a special vacation plan.

The special vacation plan offered by the company has the result that employees, in addition to the regular vacation schedule, shall have an additional three weeks of special vacation after completion of each five-year period of employment. Evidence presented to the Board indicated that the special vacation plan would entitle employees to approximately 6,000 additional weeks of vacation, after January 1, 1968. That is a direct reflection of the long average length of service of employees of the company.

This Board feels it is unrealistic to impose upon the company a vacation plan that prescribes different vacation entitlement to different groups of employees covered by separate collective agreements. The Board unanimously recommends that the offer of the company be accepted.



#### Article 18.01 -- Replacement of tools

Article 18.01 in the previous collective agreement and in the present Steelworkers' agreement reads as follows:

"Personal tools broken in service or lost in inaccessible places shall be replaced with tools of equal value by the company, if an investigation by the company and the union proves that breakage or loss was not due to the employee's carelessness or neglect -- if an investigation is required by a dispute."

#### Union proposal:

Personal tools, stolen, broken in service or lost in inaccessible places shall be replaced with tools of equal value by the company.

The request from the Association for amendment to the present provision appears to stem from what it terms "lack of clear intention."

In order to clarify this section, the Board recommends the following:

Personal tools lost or broken in service in inaccessible places shall be replaced by tools of equal value by the company, unless, after investigation by the company and the union, it is established that such breakage or loss has occurred as a result of the carelessness or neglect of the employee concerned.

#### Article 18.06 -- parts practice clause

Article 18.06 in the previous agreement reads as follows:

Without restricting Management Rights, as set out in Article 3 of this Agreement, all working conditions now established by practice and negotiated and now in effect shall remain in force insofar as they are consistent with this agreement.

#### Union proposal:

To delete the words "without restricting Management Rights as set out in Article 3 of this Agreement."

The Board recommends the following:

"Subject to the rights as set forth in Article 3, all working conditions now established by practice and negotiation, and now in effect, shall remain in force insofar as they are consistent with this agreement, but may be modified by mutual agreement between the company and the unions."

#### Article 18.01 -- addition requested

The union requests the following addition to Article 18 -- to be numbered section 10:

Where the union steward of the department involved and the department superintendent agree that work is of an exceptionally hazardous nature, employees engaged in this type of work shall receive a bonus of 15 cents an hour over and above their regular rate, such bonus to be paid for not less than one whole shift. This shall not apply to mining operations.

The company has indicated that its policy is not to have employees engaged on hazardous work, and that they do not wish any inducement offered to employees to undertake work that may be hazardous. It is also asserted by the company that the pay awarded to employees is for the performance of the jobs that are safe, if performed with proper precautions and proper safety equipment, all of which is supplied by the company.

The Board recommends that section 9.04 of Article 9, in the agreement dated September 16, 1965 be included as an amendment to Article 18. The wording is as follows:

Where the advisory committee of the department involved, and the department superintendent agrees that work is of an exceptionally hazardous nature, employees engaged in this type of work shall receive a bonus of 15 cents an hour, over and above their regular rate, which bonus to be paid for not less than one full shift. This shall not apply to mining operations.

It is the opinion of the Board that the section should not operate so as to promote the practice of performing hazardous work of any nature, but rather to discontinue any hazardous work practices.

#### Article 17 -- collection of union dues

#### Union proposal:

Open shop conditions, obligating the employee to pay union dues and assessments as a condition of employment, and obligating the company to checkoff the prescribed amounts and forward them to the respective union.

#### Company proposal:

17.01 -- On receipt of a voluntary written authorization from an employee in an occupation classification listed in Schedule B, the Company will deduct from an employee's pay, on the second pay of each month, a sum equal to the Union's monthly constitutional dues.

17.02 -- This authorization is to continue in effect for the duration of this agreement, but is understood it may be revoked by the Employee in writing to the company any time within 15 days of the signing of this Agreement or at any time within the period of 15 days prior to the expiration of Agreement, or at any time within the period of 15 days prior to the expiration of any renewal of this agreement.

17.03 -- Deductions of monthly union dues will also

cease when an employee is permanently transferred to an occupational classification not listed in Schedule B.

17.04 -- The Company will transmit to the authorized representative of the Union the total monthly deduction of Union dues, listing by name the employees from whose pay such Union dues have been deducted.

The Board recommends with regard to new employees:

In view of the similarity of job titles covered by the various certifications, it would appear to be essential for the proper collection of union dues that the union involved secure the necessary authorization card and file it with the company, thus avoiding any error in either the selection of the union or the correct remitting of fees. In the event of a dispute as to which union is entitled to receive the dues in question, the company should remit same to the Association.

With regard to present employees:

Upon the renewal of the collective agreement and on each annual anniversary date thereof, the company shall supply to each union a list of all categories covered by the respective certification and shall list the names of all employees in the said classifications, together with the amount of dues deducted monthly. Where no dues are being deducted, it shall be so indicated.

The company shall also promptly advise the affected unions of all transfers, promotions or demotions of those employees covered by union certifications, and shall amend the union dues deduction remittance form accordingly.

Construction projects -- Article 21, Section 21.02, 21.02 and 21.03

Company proposal:

Section 21.02 -- When an employee is assigned to work on a construction project outside of his normal working area, Articles 21.02 and 21.03 shall apply.

Section 21.02 -- If, in the opinion of the Company it is necessary for any employee to reside in other than his normal place of residence, the Company will supply free board and room and free transportation from a company-designated place, to and from the job. The employee will travel to and from the job on his own time and work a full shift. Section 21.03 -- If, in the opinion of the Company it is not necessary for an employee to reside in other than his normal place of residence, the company will not supply free board and room, but the company will supply transportation from a company-designated place, to and from the job. The employee will travel to and from the job on his own time and will work a full shift.

The above article is identical to the article in the collective bargaining agreement with the Steelworkers of

America, local 7106, but differs from the previous collective bargaining agreements. This article was changed as a result of a dispute concerning its interpretation, which was the subject of arbitration proceedings.

The company has advised the Association that it will continue to use Article 5.07, along with Article 21, when new construction projects are being considered.

Article 5.07 reads as follows:

Special arrangements in regard to hours worked, and other conditions on isolated jobs, may be made by mutual agreement between the union and the company.

Union proposal:

New developments and out of town jobs in the vicinity of Flin Flon will be considered by the Company on the following basis:

Jobs to be handled by Flin Flon organization, or jobs to be handled by separate organizations.

- (A) When the job is to be handled by the Flin Flon organization the company management will decide whether camps and kitchens will be set up on the job or whether the job will be done by transporting employees from Flin Flon.
- (B) When there are no camps and kitchens in operation, employees will travel to and from the job on company time and the company will supply transportation.
- (C) Employees who, on the employer's behalf, are necessarily absent from their homes on outlying jobs: Will have room and board supplied free of charge; When camps and kitchens are set up and operated, employees will travel to and from the job on company time; Weekend transportation will be supplied to and from outlying operations to Flin Flon immediately prior and after the work week and travel time shall be paid; Special shifts may be arranged to comply with transportation schedules.

In the submission before the Board, the unions felt quite strongly that appropriate safeguards must be included in the agreement to prevent employees expending excessive time in travelling to their positions of work. The Board recognizes that all employees of the company should spend approximately the same amount of time in traveling to and from their place of residence to their place of work. The unions argued that the trades people were very often involved in the initial opening up of new satellite mines that serve the company's smelter in Flin Flon. The unions observed that on occasion, with the development of a new property with relatively inaccessible roads, sometimes employees had to spend two hours going and coming from work.

It is the Board's view that a worker should expect some reasonable period of his own time will be spent travelling to and from his place of employment, and we recommend that



the company and the Association initiate discussion, with the object of reaching an agreement between them as to the length of time that might be considered reasonable in that respect.

#### Reclassifications -- rate adjustments

The Association submitted certain proposals covering reclassification for specific trades people.

The Board feels that it does not have the technical knowledge necessary to make an assessment in that area, and, under the circumstance, the Board recommends to the parties that the matter be referred to adjudication, through binding arbitration.

#### Wage rates

The Association in its presentation to the Board dealt at great length with the Schedule "A" wage rates submitted by the company, but at no time did it offer in evidence an alternative scale of wages, which it felt would be more applicable to the Trade Associations.

The company made it clear to the Board that its proposed scale of wages achieved an increased differential between skilled and unskilled classifications. The company also pointed out difficulties in administration if wages for similar classifications covered in both collective agreements were not to be the same. The Board recognizes that such a situation would inevitable lead to discontent, especially in cases where employees can be transferred from one work group covered by the Steelworkers' agreement.

In its study of the material filed by the company, the Board noted that, on the basis of a three-year agreement, the average increase in the lower wage categories amounted to 18.5 per cent. Similarly, in the next wage grouping, the increase averaged 19.5 per cent. In the third and fourth

groups, which more properly represent the skilled or craft trades people, the increases appeared to average 21 per cent to 25.3 per cent.

Taking the above factors into consideration, the Board recommends that:

- (a) Where job classifications represented by unions comprising the Association can be distinguished and identified from classification of employees who are not members of the trade unions, the present wage rates shall be increased, effective September 16, 1967 by the following percentages:

First year,	14 per cent,
Second year,	5 per cent,
Third year	5 per cent,
All cumulative.	

- (b) Other job classifications, represented by the trade unions, which can not be distinguished as stated above, shall receive the wage rates offered by the company, for the classifications.

- (b) The collective agreement to be for a period of three years, commencing September 16, 1967 and expiring September 15, 1970.

All of which is respectfully submitted.

Signed at Winnipeg, Man., on January 24, 1968.

(Sgd.) George A. Keates,  
Chairman.

(Sgd.) Steward Martin,  
Member.

#### MINORITY REPORT

I agree with the recommendations of the majority of the Board except as to wage rates. In my view, it is not practical to apply an across-the-board percentage increase to the wages of members of unions comprising the Association. Such action would cause inequities between employees, particularly among those receiving the lower wage rates. I also believe that the recommendation of the Board should be in terms capable of a reasonably precise application to the work force. I would, therefore, recommend that the collective agreement be for a period of three years and that, effective September 16, 1967, the wages of employees who are in classifications certified to unions comprising the Association be increased as follows:

- (a) Employees classified as bricklayers, crane operators, repairmen, first hoistmen, and salaried employees, and employees having an hourly rate of wages less than \$2.93 an hour shall receive the increased wage rates offered by the company for those classifications.

- (b) Excepting always the employees in classifications referred to in the foregoing paragraph (a), employees having an hourly rate of \$2.93 an hour or higher shall receive an increase of 14 per cent in the first year, five per cent in the second year and five per cent in the third year (cumulative), or the wage rates offered by the company for its respective classification in each year, whichever is the higher.

Respectfully submitted.

Signed at Winnipeg, Man., January 23, 1968.

(Sgd.) Henry B. Monk,  
Member.

CANADA LABOUR RELATIONS BOARD

Reasons for Judgment in Application for Certification affecting

International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America      Applicant  
and

Buffalo and Fort Erie Public Bridge Authority      Respondent

The Board consisted of A.H. Brown, Chairman, and E.R. Complin, J.A. D'Aoust, Jacques Guilbault, A.J. Hills and Gérard Picard, members.

The Judgment of the Board was delivered by the Chairman.

1. The Applicant, a Canadian based trade union, applies to the Board to be certified under the Industrial Relations and Disputes Investigation Act as bargaining agent for a unit of employees of the Respondent resident in Canada consisting of traffic guards, boilermen, maintenance men and janitors, employed at the Peace Bridge, Fort Erie, Ont., and working at or out of the Peace Bridge Plaza, Fort Erie, Ont., but excluding therefrom employees working exclusively on the United States side of the international boundary between Canada and the United States and employees resident in the United States.
2. The classifications of the employees of the Respondent in the proposed unit, in terms of the Respondent's payroll classifications, are those of carpenter, electrician, mechanic, plumber, general maintenance, welder, boilerman, general labourer, janitor, and traffic director, excluding toll collectors who work exclusively on the United States side of the International Boundary, and management, supervisory and clerical employees.
3. The Respondent owns and operates an international bridge work and undertaking extending across the Niagara River connecting Buffalo, New York, and Fort Erie, Ont., including the bridge and traffic and other facilities operated in connection therewith on both approaches to the bridge. The application relates to that portion of the Respondent's undertaking carried on at and from its Fort Erie, Ont., location. Within the province of Ontario the Respondent is the owner of the property comprising the bridge approaches and Bridge Plaza in Fort Erie. The buildings on this property include,
  - (a) an administrative building, housing the Canadian Government customs and immigration offices, and the office of the Respondent's Canadian traffic department. The supervisors of the Canada-based traffic directors work in that office. The traffic directors themselves and the Canada-based janitors in the proposed bargaining unit punch a time clock in the building when reporting to and leaving work daily;
  - (b) a customs building, where all trucks using the bridge are directed for customs inspection;
  - (c) a building known as the Walnut Street customs compound, where passenger vehicles and all non-commercial declarations are checked;
  - (d) a bus terminal, where all buses coming through from the United States to Canada are required to report for customs and immigration clearance;
  - (e) a large warehouse, used by various trucking companies to transfer and store loads. Located in the basement of the warehouse are the supervisors of the maintenance staff in the proposed unit, namely the boiler supervisor, electrical supervisor and shop supervisor together with a general workshop in which there is a time clock used by the maintenance staff and general labourers in the proposed unit to punch in and out of the general workshop at the start and conclusion of each work day.
4. The traffic directors in the proposed unit are positioned at a number of locations on the Canadian side of the bridge and are not required in the course of their normal duties to cross the bridge to the U.S. side. They are subject to the supervision of one of four traffic supervisors. The remaining employees in the proposed unit do maintenance and repair work of various sorts, including warehouse cleaning, car washing, operating the sweeper, painting traffic lines on the Canadian plaza and the bridge, and snow removal. Of the approximately 25 maintenance employees in the proposed unit who punch the maintenance time clock on the Canadian side, 11 have U.S. work visas allowing them to perform maintenance work on both sides of the bridge.
5. The employees in the proposed unit are on what is referred to as the "Canadian payroll" of the Respondent. The employees on the Canadian payroll are paid by cheque drawn by the Respondent on a Canadian branch bank in Fort Erie, Ont. The Respondent's main administrative office is situated at the U.S. end of the bridge. The executive and other senior officers of the Respondent are located in and direct the Respondent's operations from that office. The payroll cheques are issued from that office and distributed to the employees on the Canadian payroll from the traffic supervisor's office in the administrative building on the Canadian side of the bridge. The pay stubs of these employees show deductions made for Canadian income tax, Canadian unemployment contributions, Canada Pension Plan premiums, and premiums for Physician Services Inc. The Respondent also pays premiums to the Ontario Hospital Services Commission with respect to employees



on the Canadian payroll. There is a separate United States payroll covering some 28 employees of the Respondent (toll collectors and general maintenance) who punch a time clock on the U.S. side. The wages of those employees are paid in U.S. funds with appropriate deductions required by U.S. federal and state laws. The Respondent advises that a few maintenance employees on the U.S. payroll punch the time clock on the Canadian side where this is a matter of convenience in drawing equipment on the Canadian side.

6. By Acts of Parliament of Canada and laws of the State of New York Legislature (Statutes of Canada 1923 c. 74 and Laws of State of New York 1922, c.379) two companies were incorporated under the name of "Buffalo and Fort Erie Public Bridge Company" to construct, maintain and operate a bridge across the Niagara River between Buffalo, N.Y., and Fort Erie, Ont. By agreement of June 13, 1925, the two companies were amalgamated under the same name. By Act of the New York State Legislature 1933 c. 824 there was incorporated a board named the "Buffalo and Fort Erie Public Bridge Authority" (The Respondent herein) with power to acquire and manage the property and assets of the amalgamated company. Under the Act, the Bridge Authority was authorized to acquire title to all the assets and property of the amalgamated company in the State of New York. By Act of Parliament of Canada (24-25 Geo. V. c.63) enacted in 1934 and since amended by chap. 10 S.C. 1957-58, the Bridge Authority was authorized and empowered to acquire, hold, maintain, and manage the property and undertaking of the Buffalo and Fort Erie Public Bridge Company within Canada (including the power to sue and be sued in Canada) until July 1, 1992, or the date when all outstanding bonds issued by the Respondent prior to July 1, 1992, are repaid, whichever is the later. On the happening of that event all rights, powers, and jurisdiction of the Respondent terminate and the Respondent's property within Canada becomes the property of Her Majesty in right of Canada. The Canadian legislation, as amended, also provides (1) for representation on the Buffalo and Fort Erie Public Bridge Authority Board of five Canadian citizens resident in Canada, to be appointed by the Governor-in-Council (in fact, according to the information furnished the Bridge Authority Board is comprised at present of five members appointed by the Governor-in-Council and five members appointed by the Government of the State of New York); and (2) for the appointment by the Bridge Authority of an attorney resident in the County of Welland Ont., to receive service of process of all suits and proceedings in Canada against the Bridge Authority.

The Act provides in section 2 that "nothing in this Act shall be deemed to have effect to give the members, officers or employees of the Bridge Authority the status of officers or employees of Her Majesty." Thus, no issue arises here as to whether the employees of the Respondent in the proposed bargaining unit are employees of Her Majesty. However, in view of the nature of the Respondent's submission on the application, it may be useful to draw attention to Section 54 of the Industrial Relations and Disputes Investigation Act. Part I of that Act applies to any corporation established to perform any function or duty on behalf of the Government of Canada and to employees of such corporation unless the

corporation and its employees are excluded from the provisions thereof by the Governor-in-Council.

7. Counsel for the Respondent submits that the Board should decline to exercise jurisdiction to give effect to the application on the basis of broad public and international policy and comity in view of, to use his own description, "the hybrid nature of the Bridge Authority" which is designed as a public benefit corporation by the Act of the New York State Legislature, 1933, chap. 824. While the Respondent has been established as a public corporate body in the complementary Acts of the Parliament of Canada and the New York State Legislature we do not consider that this constitutes or provides valid grounds for the denial of bargaining rights to the employees of the Respondent affected by the present application. These employees are subject to the penalty provisions for breach of the I.R.D.I. Act and have a right to the benefits and services given thereunder. The Respondent in its capacity as employer of these employees is not exempted from the application of the Act and is as such employer likewise subject to the penalty provisions for breach of the Act and has a right to the benefits and services given thereunder.

Counsel for the Respondent urged that the Board should in any event defer decision on the present application pending the disposition by the New York State Labour Relation Board of an application for certification as bargaining agent of the U.S. based employees of the Respondent employed upon or in connection with the operation of the bridge undertaking, which had been made by a U.S. based local union of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America. As the disposition of the latter application could not in the view of this Board affect the present application, the Board did not consider that it was in a position to grant this request.

8. The Board finds that a unit of employees of the Respondent consisting of employees who are resident in Canada and work in Canada or in Canada and the U.S. upon or in connection with the operation or maintenance of the bridge across the Niagara River between the City of Buffalo in the State of New York, and the Town of Fort Erie in the Province of Ontario and who are classified as carpenter, electrician, mechanic, plumber, boiler-man, traffic director, welder, general maintenance, janitor, and general labourer, excluding management, clerical and supervisory personnel and excluding also employees of the Respondent who, although resident in Canada perform work wholly in the United States of America, are appropriate for collective bargaining. The employees in this unit are within Canadian territorial jurisdiction and are employed upon or in connection with a work or undertaking extending beyond the limits of a province to which Part I of the Industrial Relations and Disputes Investigation Act applies (see paragraph (b) of Section 53 thereof). The objections raised by the Respondent as regards the appropriateness of a unit confined only to the Canada-based employees of the Respondent are not in the opinion of the Board distinguishable in principle or substance from those considered and rejected by the Board in earlier certification applications involving units of Canada-based

railway running trades employees or road transport employees working on runs from Canada into the U.S., (see the case of Brotherhood of Locomotive Firemen and Enginemen and Michigan Central Railroad Company) 52 C.L.L.C. para. 16630, Canadian Labour Law Cases Vol. I, 1944-59).

9. The Board finds the Applicant to be a trade union within the meaning of the Industrial Relations and Disputes Investigation Act, as having been so found on earlier applications for certification as bargaining agent made to the Board under the said Act.
10. The Board has found that a majority of employees in the unit thus found appropriate by the Board for collective bargaining are members in good standing of the Applicant.

An order has been issued accordingly by the Board certifying the Applicant as bargaining agent for the said unit of employees of the Respondent so found appropriate for collective bargaining by the Board.

Dated at Ottawa, Ont., on January 23, 1968.

(Sgd.) A.H. Brown,  
Chairman for the Board.

T.E. Armstrong,  
Albert Marinelli, For the Applicant.  
A. Eade,

W.K. Winkler  
A.F. Sheppard, Q.C., For the Respondent.  
H.J. Willis





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No. 2, 1968

# CONCILIATION BOARD REPORTS together with CLRB REASONS FOR JUDGMENT

## **Conciliation Board Reports in disputes between**

Canadian National Railway Company and The Brotherhood of Locomotive Firemen and Enginemen

Hull City Transport Limited, Hull Metropolitan Transport Limited and Amalgamated Transit Union;

Robin Hood Flour Mills Limited and United Packinghouse, Food and Allied Workers;

Northern Telephone Limited and Communication Workers of America;

St. Lawrence Seaway Authority and Canadian Brotherhood of Railway, Transport and General Workers

## **Reasons for Judgment in applications affecting**

National Association of Broadcast Employees and Technicians (Applicant) and Canadian Broadcasting Corporation (Respondent) and Canadian Union of Public Employees, Syndicat général du cinéma et de la télévision (C.S.N.) (Section Radio-Canada), Associated Designers of Canada-Television, Film Theatre, and Association of Radio and Television Employees of Canada (Intervenors)



**CANADA DEPARTMENT OF LABOUR**





## CONCILIATION BOARD REPORTS

Report of Board of Conciliation and Investigation established to deal with dispute between:

Canadian National Railway Company  
and  
The Brotherhood of Locomotive Firemen and Enginemen

The Board of Conciliation was appointed under the Industrial Relations and Disputes Investigation Act. Judge René Lippé, Montreal, was appointed Chairman by the Minister on the joint recommendation of Maurice W. Wright, Q.C., Ottawa, and R. V. Hicks, Q.C., Toronto, nominees of the union and company, respectively. The majority report, which under the I.R.D.I. Act is the report of the Board, was made by the Chairman and Mr. Wright to the Minister on June 6. Mr. Hicks submitted a minority report.

The employees before this Board represented by the Brotherhood of Locomotive Firemen and Enginemen are covered by three separate collective agreements, namely:

The "Eastern" collective agreement embraces firemen/helpers in all classes of service as well as hostlers and hostlers' helpers in the Atlantic, St. Lawrence and Great Lakes Regions (excluding the Newfoundland Area), of Canadian National Railways.

The "Western" collective agreement embraces the same classifications of employees in the Prairie and Mountain Regions of the Company, together with the classification of mainline hostlers.

The "Newfoundland" collective agreement covers locomotive engineers in all classes of service in addition to firemen/helpers, hostlers and hostlers' helpers in that province. It is to be noted that the wages of locomotive engineers in Newfoundland were settled in direct negotiations preceding the establishment of this Board.

The three collective agreements referred to above all expired on April 30, 1967.

Following numerous negotiation meetings between the parties, the Memoranda of Agreement were signed, the first on November 8 and the second on November 9, 1967, which disposed of 33 Brotherhood proposals and 13 Company proposals, leaving 8 items in dispute before this Board.

The Board will deal with the Brotherhood proposals in their order of presentation in the latter's brief.

Employees represented before this Board can be grouped into two basic classifications: firemen/helpers employed in road and yard service and hostlers employed in hostling service, the vast majority, that is 87.3%, of whom are classified as firemen/helpers.

### Brotherhood's Proposal No. 1:

that all collective agreements contain a new rule "To provide for the inauguration of a training for future engineers."

The Brotherhood has argued that the current collective agreements between Canadian National and the Brotherhood of Locomotive Firemen and Enginemen contain provisions that assure Canadian National of a constant supply of qualified engineers from firemen's (helper's) ranks when traffic volume warrants an increase in the number of engineers at a terminal on a seniority district, and by special arrangement to supply engineers in emergency situations. However, the Brotherhood has contended that for the past three

summers at certain terminals on the system, the seasonal demand for relief engineers has drawn so heavily on the available supply of qualified men (firemen (helpers)) that the supply of men was exhausted to the extent that passenger trains could not be fully manned by firemen (helpers) normally stationed at that terminal. Hence the Brotherhood's request to enter into joint negotiations with the Brotherhood of Locomotive Engineers and Railway Management in order to establish a training program for engineers.

The Company, on the other hand, has contended that the Brotherhood is not certified by the Canada Labour Relations Board to represent "Railroad Locomotive Enginemen Apprentices".

Consequently the Company has submitted that the members of this Board are not empowered to deal with this proposal which in effect would be an attempt to obtain recognition for the Brotherhood as the bargaining representative for "locomotive enginemen apprentices", a class of employees not included in the bargaining unit for which the Brotherhood holds the exclusive authority to bargain.

This Board agrees with the Company's submission that the Board does not have the authority to deal with this issue in the present circumstances. The Board is concerned, however, about this issue and urges the parties to enter into serious discussions on this issue and to consider seriously the advisability of requesting the Brotherhood of Locomotive Engineers to join in these discussions.

### Brotherhood Proposal No. 4

that the Eastern and Western Lines agreements "Increase the basic rate of pay in all classes of service by 30 per cent. Yard, hostling hourly and minimum rates to be increased immediately to this extent, with increase for road rates to be spread throughout a two year contract. All differentials, special allowances, etc. to be increased accordingly."

It is to be noted that the Company has settled with its non-operating employees by granting a 24 per cent increase spread over a period of three years. Before the Board the Company has offered to the firemen/helpers an increase of 8 per cent over a period of three years on the basis that on the one hand these employees are redundant and on the other hand they are overpaid. The fact that the services of the firemen are not required on diesel locomotives in either freight or yard service has been made clear by both the

Kellock Commission in 1957 and the Montpetit Board in 1959, and the Brotherhood itself no longer disputes this finding. The fireman's traditional role has been fundamentally changed.

The Company has made proof that for the 12-month period ending September 30, 1967 the average annual earnings of the firemen/helpers and hostlers are \$7,367 and \$5,820, respectively.

It also presented the following evidence of the average hourly and annual earnings of the running trades employees:

Running Trades Employees	No. of Employees	1967	
		Hourly \$	Annual \$
Firemen/Helpers	1,580	3.25	7,367
Locomotive Engineers	2,859	3.85	8,680
Road Conductors and Yard Foremen	2,811	3.67	8,389
Brakemen, Yard Helpers and Switchtenders	5,803	3.28	7,282
Yardmasters	372	3.64	8,090

The Board well understands that the above figures represent hourly and annual earnings which may include overtime. This is a factor which must be taken into account.

The Brotherhood has submitted that if the Agreement between itself and the Canadian Pacific, which was signed following the Kellock Commission Report, guaranteed jobs to firemen with a seniority date prior to April 1, 1956 (extended February 3, 1958, by the Montpetit Report) for their working life with the same rights and privileges as had always prevailed, neither of the two Reports gave any indication that wages of firemen/helpers were expected to deteriorate in relation to wages of other railway employees or for that matter wages of employees in outside industry. In fact, the Montpetit Board in 1959 recommended that the firemen/helpers receive the same increase as that given to the non-operating unions. Furthermore, it has been proven that most of the firemen/helpers are qualified engineers who worked part of the time as such with prevailing rates.

These are the facts that this Board has to reconcile in making its recommendations.

The Board, however, has been impressed by the fact that the parties have reached settlement in 1961 and 1964 when a differential was agreed upon by both parties in connection with firemen/helpers. In 1961, the Company settled for a 6 1/2 per cent increase to all its non-operating unions. The Company and the Brotherhood the same year settled their differences by giving the same increase, 6 1/2 per cent to firemen/helpers on passenger trains and to hostlers, and by giving a 4 per cent increase to firemen/helpers in yard service.

The same differential was agreed upon in 1964 when again the Company consented to pay firemen/helpers and hostlers the same increase of 6 1/2 per cent granted to its non-operating employees, and by giving the firemen/helpers in yard and freight service an increase of 4 per cent.

The Board knows of no better recommendation than the differential agreed upon between the parties in both its 1961 and 1964 agreements, and it hardly understands the reasons put forward by the Company not to grant in 1967 and 1968 the same differentials agreed upon in 1961 and 1964 as the reasons and the facts submitted by the Company before this Board existed in 1961 and 1964.

The Company submitted a proposal which calls for the elimination of graduated rates of pay which is presently in

effect and has asked for the establishment of single rates, one rate to apply to passenger service and the other to freight service. The Board is of the opinion that there is considerable merit in this proposal but due to the complexity of the nature of the problem and the limited facilities which are available to a Board of this type, we hesitate to make any recommendation. The Board, however, urges the parties to negotiate single rates of pay since they are in possession of all of the relevant facts. The Board, therefore, recommends a 24 per cent increase in basic rates of pay for firemen/helpers on passenger trains and for hostlers, and a 15 per cent increase in basic rates of pay for firemen/helpers in freight and yard service, such increases to be applied over the rates in effect on April 30, 1967, the termination date of the last collective agreement.

The Board recommends that the increases be implemented in five steps in a manner consistent with the method of implementation for all of the other railway employees, both operating and non-operating employees. Specifically, the Board recommends that the increase in rates of pay be implemented in the following manner:

#### For Firemen/Helpers Employed on Passenger Trains and for Hostlers

- (i) Effective May 1, 1967, an increase of 4 per cent calculated on the basic rates of pay in force at April 30, 1967; and
- (ii) effective November 1, 1967, a further increase of 4 per cent calculated on the basic rates of pay in force at April 30, 1967; and
- (iii) effective May 1, 1968, a further increase of 7 per cent calculated on the basic rates of pay in force at April 30, 1967; and
- (iv) effective November 1, 1968, a further increase of 3 per cent calculated on the basic rates of pay in force at April 30, 1967; and
- (v) effective May 1, 1969, a further increase of 6 per cent calculated on the basic rates of pay in force at April 30, 1967.

#### For Firemen/Helpers Employed in Freight and Yard Service

- (i) Effective May 1, 1967, an increase of 2.5 per cent calculated on the basic rates of pay in force at April 30, 1967; and
- (ii) effective November 1, 1967, a further increase of 2.5 per cent calculated on the basic rates of pay in force at April 30, 1967; and
- (iii) effective May 1, 1968, a further increase of 4.5 per cent calculated on the basic rates of pay in force at April 30, 1967; and
- (iv) effective November 1, 1968, a further increase of 1.8 per cent calculated on the basic rates of pay in force at April 30, 1967; and
- (v) effective May 1, 1969, a further increase of 3.7 per cent calculated on the basic rates of pay in force at April 30, 1967.

#### Brotherhood Proposal No. 9

that the Western collective agreement "Increase minimum mileage regulations in freight and passenger service to standard rule."



The Brotherhood is requesting an increase in the minimum monthly guarantee specified in Articles 2.7 and 3.10 of the collective agreement governing firemen/helpers in passenger and freight service on the Prairie and Mountain Regions of Canadian National Railways. This proposal would increase the present minimum of 2,600 miles to the standard minimums specified in Article II (B) and II (C) of the governing agreement.

Article II (B) provides "in regular and extra passenger service a sufficient number of Firemen/helpers will be assigned to keep the average mileage, or equivalent thereof, between 4,000 and 4,800 miles per month." Article II (C) provides "in assigned, pool, or chain gang freight, or other service paying freight rates, a sufficient number of Firemen/helpers will be assigned to keep the average mileage, or equivalent thereto, between 3,200 and 3,800 miles per month."

It is the Company's suggestion that the Brotherhood by its proposal wants to increase the minimum guarantee.

This Board is of the opinion that the end result of the Brotherhood's proposal could well represent some increase in cost. As the Board has no evidence to assess the net financial impact of this proposal, it does not wish to make any specific recommendation. However, the Board has been given to understand that the same proposal has been implemented for the Engineers. For that reason the Board expresses the hope that the parties should be able to resolve this matter in collective bargaining.

#### Brotherhood Proposals Nos. 23 and 29:

that the Eastern and Western collective agreements and the Newfoundland collective agreement "provide payment for deadheading and living expenses when men are forced to another terminal to cover essential service."

The Brotherhood is requesting a new rule to provide that firemen/helpers required to live away from their home terminal to protect essential service be furnished lodging and a reasonable living allowance.

Furthermore, the proposal of the Brotherhood contains a request that firemen/helpers be paid for deadheading between the terminal where their homes are located and any terminal where they may be required to protect essential service of the Company.

Besides being a request of the nature of a monetary demand, the evidence has shown that by its proposal the Brotherhood is seeking a concession which does not pertain to any running trades employees be they engineers, trainmen or firemen.

For these reasons and particularly the latter, the Board cannot recommend the acceptance of the Brotherhood's proposal.

#### Brotherhood Proposals Nos. 26 and 33:

that Articles 16 (2) Eastern agreement 7.4 Western agreement 7.4 (2) Newfoundland agreement be revised to provide for payment on actual mileage basis with a minimum of 100 miles.

Deadheading is a term used to describe travel as a passenger by a railway employee in the course of his employment. The travel involved is usually on passenger or freight trains, or by other modes of transportation as circumstances or conditions dictate.

The Brotherhood submits that deadheading is a necessary part of railway operations and that as such its proposal should be agreed upon.

By its demands, the Brotherhood in fact wants to reintroduce the deadheading provisions which were in existence prior to the negotiated settlement made with the Company in 1964.

The Company has suggested that the reason for requesting the change in the 1964 negotiations was to correct an anomalous situation in that a fireman/helper performs no necessary service even when on duty as a member of a working crew and accordingly a change in the method of compensation was justified and supportable for a fireman/helper when deadheading. The Company has emphasized that this change was accepted by the Brotherhood in the freely negotiated agreement in 1964, without third party intervention.

The Board is of the opinion that the evidence does not justify the recommendation of this proposal.

The Company's agreement in answer to the Brotherhood's proposals having been summarized in the present report, there is no need to deal further on the matter.

Montreal, June 6, 1968.

(Sgd.) René L. Lippé,  
Chairman,  
Maurice W. Wright,  
Member.

#### MINORITY REPORT OF R. V. HICKS, Q. C.

I regret that with respect I am obliged to dissent from the Chairman's recommendation on wages for the following principal reasons.

To examine the wage issue within its proper context, it is pertinent to observe at the outset that the circumstances here are unique. Unlike normal wage negotiations, it has been established that the employees concerned are redundant with respect to the Company's operational requirements. As a result, no justification for the wage increase proposed by the Brotherhood can be found in the firemen/helpers' contribution to the productivity of the Company, let alone to the Canadian economy as a whole.

The Brotherhood predicated its wage proposals basically upon the theory that, implicit in the 1959 Diesel Rule relating to the eventual elimination of firemen/helpers on diesel locomotives, their basis of compensation would retain the same relationship to that of other productive employees of the Railway. In my view this contention has not been factually demonstrated nor is it justified when other relevant considerations are given appropriate weight.

It is pertinent to review the trend in the comparative pattern of earnings of the firemen/helpers with that of other productive employees since the Diesel Rule was invoked in 1959.

Not only have the firemen/helpers earnings accelerated at a rate considerably in excess of the cost of living as measured by the consumer price index since 1959, their average annual earnings have actually increased at a rate substantially greater than that provided by the percentage increases applicable throughout the same period. For example, under the 1961 Agreement, the basic wage rates

of firemen/helpers on a weighted average basis were increased by 4.35 per cent over the ensuing three year period. Their average annual earnings, however, actually increased by 9 per cent. Likewise, in contrast to the weighted average increase of 4.35 per cent applicable under the three year Agreement commencing May 1st, 1964, their average annual earnings increased by 16 per cent.

These significantly higher increases in average earnings than those provided by the corresponding percentage incremental increases to the basic rates could not have been in contemplation when the 1959 Diesel Rule perpetuating their employment was evolved. While that Rule recognized that the function of firemen/helpers had disappeared, in providing for their continued employment it left unqualified most of the contractual privileges acquired by the Brotherhood at the time when a fireman was functionally required on steam locomotives. For example, the use of firemen/helpers has declined sharply in yard service where average annual earnings are lower than in road service because those remaining in the employ of the railway have increasingly been able to apply their seniority to the selection of more lucrative road positions as compared with yard assignments. Also, since the number of firemen/helpers in road, passenger and freight service is smaller than the total number of positions available, those remaining can select the most lucrative positions in road service.

This pattern, whereby the average earnings of firemen/helpers have increased at a rate substantially higher than the percentage incremental wage increase contractually provided, will continue to prevail during the foreseeable future as the number of firemen/helpers continues to be reduced through attrition and promotion because, again, those remaining will occupy the more lucrative positions available to them in the exercise of their seniority. The net result is that the average earnings of the firemen/helpers will continue to accelerate even without any increase in their basic daily rates of pay.

It is clear, therefore, that the application of the percentage increases granted to the non-operating employees of the Company with its inflationary impact on the earnings of the firemen/helpers is not at all valid.

It is also material to examine the relationship of the firemen/helpers' earnings with those of other employees of the Company. During the twelve-month period ending September 30th, 1967, firemen/helpers grossed more in take-home pay than approximately 90 per cent of some 66,000 productive employees of the Company.

An even more dramatic comparison is to be found in the case of the Company's yard locomotive engineers, the positions to which firemen/helpers are traditionally promoted. The engineers earned \$7,517 throughout the 12-month period ending September 30th, 1967, on an hourly average of \$3.01, which includes the 6 per cent basic rate increase the locomotive yard engineers received effective May 1st, 1967 and the further 6 per cent basic increase effective August 1st, 1967. On the other hand, the annual earnings of all of the firemen/helpers in both road freight and

passenger service combined throughout the year ending September 30th, 1967 was \$7,733 or \$3.62 per hour. The firemen/helpers in road freight service averaged \$3.31 per hour while those in road passenger service averaged \$4.67 per hour.

The absurdity of non-productive firemen/helpers earning more than the yard locomotive engineers who occupy positions senior to them in the regular line of promotion, defies all of the traditional principles associated with job evaluation and promotional opportunity, even setting aside the redundant characteristic of the firemen/helpers' function.

Should any additional evidence be necessary to show the abnormally high standard of earnings enjoyed by the firemen/helpers within the Company's work force, it can be further illustrated by the fact that their average earnings exceed those of the majority of the Company's skilled tradesmen without any increase to their present basic daily rates whatsoever.

Not only do the firemen/helpers occupy an extremely favourable relationship with other employees of the Company, they also enjoy a comparatively high standard of earnings with those engaged in other industries. The average hourly earnings for all manufacturing in Canada for the month of February, 1968 (being the last published statistic of D.B.S.) were \$2.50 per hour, compared with \$3.62 per hour for the firemen/helpers.

In the face of their already privileged position as thus demonstrated, can the Company reasonably be expected to bonus these non-productive employees still further? Such action on the Company's part would be at complete variance with the principles enunciated by the Honourable Minister of Finance on November 30, 1967 when he stated in the House of Commons:

"We must bring to an end the present round of inflationary price and cost increases, and move to a situation in which all Canadians can work and buy and bargain and invest in the expectation that their money over the years will maintain its real value. To the extent that we can mobilize public opinion effectively in support of this objective, and against the actions of those who clearly exploit their market power to obtain inflationary increases, then we can have a higher level of employment, production and incomes along with price stability."

Another paradox flowing from the 1959 Diesel Rule is that the percentage reduction in the Company's total annual payroll cost has been relatively much smaller than the percentage reduction in the number of firemen/helpers employed by the Company. Having regard to the redundant characteristic of their employment status, this factor, alone, justifies a re-examination of the basis of compensation for the firemen/helpers.

It will be apparent that adoption of the same incremental wage increases as are applicable to non-operating employees



of the Company will not only perpetuate, but undoubtedly compound these irreconcilable anomalies which could not possibly have been in contemplation when the 1959 Diesel Rule was implemented. Since they are without economic justification and the firemen/helpers are already receiving comparatively high earnings by any accepted standard, in my respectful opinion the wage increases granted the non-operating employees of the Railway are irrelevant and unjustified.

In view of all of the foregoing, it is my respectful opinion that the Company's offer of a wage increase of 7.5 per cent to 8 per cent (subject to upward adjustment for hostlers), which will more than protect the employees' purchasing power and continue to provide them with a standard of compensation which is abnormally high in relation

to other productive employees, is eminently fair. Accordingly, it is my recommendation that the Company's wage offer should be adopted.

May 31, 1968.

(Sgd.) R. V. Hicks,  
Member.

Report of Board of Conciliation and Investigation established to deal with dispute between

Hull City Transport Limited and Hull Metropolitan Transport Limited  
and  
Division 591 of the Amalgamated Transit Union

The Board of Conciliation and Investigation established to deal with a dispute between Hull City Transport Limited and Hull Metropolitan Transport Limited and Division 591 of the Amalgamated Transit Union was under the chairmanship of Maynard B. Golt, Q.C. of Montreal. The other two members of the Board were Lt.-Col. Fernand Mousseau of Hull, P.Q., and M.K. Carson of Ottawa, nominees of the companies and union, respectively.

The majority report, which under the provisions of the Industrial Relations and Disputes Investigation Act is the Report of the Board, was made by the Chairman and Mr. Carson. A minority report was made by Lt.-Col. Mousseau. The reports were received by the Minister of Labour in April.

The Board held sessions in Hull on March 21, and in Montreal on March 26. The parties submitted the following as being the issues in dispute:

The dispute arose from proposals submitted by the union for revision of the collective agreement with the employer, as well as certain portions of the expired agreement.

At the beginning of the hearings, both parties advised the Board that it would be expedient to deal with the question of wage increases, since they felt that all other items could be settled amicably if the wage problem could be successfully dealt with by the Board.

MAJORITY REPORT

Wage Increase - The majority feels after due deliberation and consideration of all evidence that it would be in accordance with present day economic conditions to grant the employees an increase of \$0.40 to be paid as follows: (increase per hour)

- (a) \$0.20 from April 1, 1968
- (b) \$0.20 from April 1, 1969

Retroactive pay - The majority recommends that a sum of \$50 in retroactive pay be granted to all employees for the period from January 1, 1968 to April 1, 1968 inclusive.

It should be pointed out that at the beginning of the hearings, Mtre Maurice Chevalier, Attorney for the company, advised the Board that the company itself felt that its employees were underpaid, but that, unfortunately, the demands of the employees could not be met because of the financial condition of the company. Balance sheets were produced for the benefit of the Board indicating a very low return to the shareholders on their investment. Charts were also produced indicating a decrease of 66.1 per cent, in passengers carried during the period of twenty-one years ending 1967. Mention was also made of the fact that the decrease in earnings of the employees was due to the fact that the work week has been dropped from 48 to 40 hours in virtue of federal provisions relating to hours of work.

The entire Board feels that serious consideration should be given to ameliorating the financial condition posed by the financial statements submitted by the company. To this end, the Board suggest the following alternatives:-

- (1) Subsidy by the City of Hull for Transport Urbain de Hull Ltée. (Hull City Transport Ltd.)
- (2) Subsidy by the City of Hull and those municipalities served by Transport Hull Métropolitain Ltée.
- (3) Formation of a Civic Transportation Commission whose principal duty would be to own and operate the municipal transportation services. This could either be a City of Hull Commission or one comprising the City of Hull and those communities now being served by the above companies.

(Sgd.) Maynard B. Golt, Q.C.  
Chairman.  
(Sgd.) M.K. Carson,  
Member.

MINORITY REPORT

I wish at this time to make a minority recommendation regarding the increase in salary as follows:

- a) I agree on the lump sum payment of \$50 for back pay to each employee as recommended by yourselves.
- b) I recommend an immediate increase of \$0.20 based on the declared profit of the company and a possible increase in fare. Any other considerations are not factual and cannot be taken into consideration at this time.

I am in agreement with the other members of the Board that the City of Hull study the other possibilities of subsidizing part of the operation of the company.

(Sgd.) Fernand Mousseau,  
Member.



Report of Board of Conciliation and Investigation established to deal with dispute between

Robin Hood Flour Mills Limited, Port Colborne, Ont.  
and  
Local 416, United Packinghouse, Food and Allied Workers

The chairman of the Board was R. G. Geddes, Toronto, who was appointed by the Minister on the joint recommendation of the other two Board members, Colin A. Morley, Toronto, and Maurice Keck, Port Colborne, Ont., nominees of the company and the union, respectively. The report was unanimous and was submitted to the Minister of Labour in April.

The Board met with the representatives of the parties at Niagara Falls and Welland, Ontario. It heard representations on only one issue - recognition - and consequently can recommend only on this issue.

The Board recommends that the dispute about Paragraph 5 - Recognition - be settled as follows:-

1. That there will be separate agreements covering the office and the plant employees.
2. That the two agreements will have the same renewal date.
3. That separate but contemporaneous negotiations will be conducted with separate bargaining committees, but it is acknowledged that the union may appoint a plant employee to attend with the office committee during office negotiations and an office employee to attend with the plant committee during plant negotiations.

4. That the parties, in the event that one or both of them apply for conciliation services in the future, will request that the same conciliation officer be appointed for both disputes.

5. That should conciliation boards be established in the future, the company will nominate the same individual to both boards as will the union, and the parties will request that the same chairman be appointed to both boards.

Signed at Toronto, April, 1968.

R. G. Geddes,  
Chairman,  
C. A. Morley,  
Member,  
Maurice Keck,  
Member.

Report of Board of Conciliation and Investigation established to deal with dispute between

Northern Telephone Limited, New Liskeard, Ont.  
and  
Communications Workers of America

The chairman of the Board was F. J. Ainsborough, Toronto, who was appointed by the Minister on the joint recommendation of the other two members, J. W. Healy, Q. C., Toronto, and C. C. Ames, Kirkland Lake, Ont., nominees of the company and the union respectively. Each member of the Board submitted a separate report to the Minister in May.

REPORT OF F. J. AINSBOROUGH

The dispute involves the negotiations for a new collective bargaining agreement to replace the one that expired November 30, 1967. During negotiations prior to and during the conciliation officer stage some progress had been made.

The following items had not been resolved in whole or in part and were open for discussion before the Board:

union security; sick leave benefits; basic wages, including retroactivity; job upgrading in plant and clerical departments; office upgrading in traffic departments; shift differentials in the plant and traffic departments; instructor and in-charge differentials in the plant and traffic departments; overtime premium and call-out time in plant, traffic and clerical departments; stand-by allowance in the plant department; duration of contract.

The first meeting was held in North Bay, Ont., on March 14 and 15. During the meeting the Board was brought up-to-date and there was discussion between the parties but movement, especially in the area of the major points of wages and union security, was non-existent. During the noon hour on March 15 the Board reached the opinion that neither side wanted to expose its position to the Board at that time. The Board, in view of the good relationship between the parties, decided if the tempo should not pick up the best procedure would be to adjourn to a later date and request the committees to meet without the Board in the interim. During the afternoon it was apparent we carry out the above-mentioned course. The parties co-operated.

Meetings, without the Board present, were held in New Liskeard, on March 22 and 23. At the Board meeting of March 29 the committee reported on the meetings of March 22 and 23. Some progress had been made but not on the major issues.

During the morning and late afternoon session it was clear neither party was going to have a change of heart. At this point the chairman, on his own responsibility, and without involving the other two members of the Board, placed a proposal on the table. He explained this was not for negotiation but must be accepted or rejected as a package. He said he was not going to seek an expression of opinion from the committees but asked them to place the proposal before their principals and let them make the decision as to acceptance or rejection.

The proposal was as follows:

- (1) All points on which agreement was reached prior to or during the Board of Conciliation hearings including the meetings of March 22 and 23 shall stand.

- (2) Cost package -First year ..... 9%  
Second year ..... 11%

After the cost of fringe benefits and retroactivity have been subtracted from the above the remaining percentages will be the wage increases.

- (3) Union Security - all employees who are now members of the union and those who become members of the union shall, as a condition of employment, continue their membership in the union.
- (4) Retroactivity - from December 1, 1967, to the date of the signing of the new agreement.
- (5) Term of Contract - two years from date of signing.

- (6) All points on which agreement has been reached shall be considered dropped.

The company principals rejected the proposal and the vote of the Union Membership was also for rejection.

The Board is of the opinion that calling the parties to further meetings would not serve any useful purpose.

Toronto, May 9, 1968.

(Sgd.) F.J. Ainsborough  
Chairman.

#### REPORT OF C.C. AMES

I cannot sign the chairman's proposals because of the words "and retroactivity" contained in Section 2 of his report.

Chapleau, Ont., May 11, 1968.

(Sgd.) C.C. Ames  
Member.

#### REPORT OF J.W. HEALY, Q.C.

I wish to record my disagreement with Item 2 of the chairman's proposals. The parties put before the Board detailed statistics on wage rates and costs and particularly rates paid to employees in comparable zones in other systems. There was no evidence submitted which in my opinion could justify such a large increase in costs as that proposed.

All of which is respectfully submitted.

Toronto, May 1, 1968.

(Sgd.) J.W. Healy  
Member



The St. Lawrence Seaway Authority  
and  
Canadian Brotherhood of Railway,  
Transport and General Workers

The Board of Conciliation and Investigation established to deal with a dispute between the St. Lawrence Seaway Authority and the Canadian Brotherhood of Railway, Transport and General Workers, was under the Chairmanship of His Honour, Judge J.C. Anderson of Belleville. He was appointed by the Minister of Labour in the absence of a joint recommendation from the other two members of the Board, K.L. Crump of Montreal and Herbert Gargrave of Toronto, who were previously appointed on the nomination of the Authority and the Union, respectively.

The Report was signed by the Chairman and Mr. Crump, who also submitted an Addendum. A minority report was made by Mr. Gargrave. The reports were received by the Minister of Labour in May.

A Meeting of the Board was convened in Montreal, and was attended by all parties, on April 2 and April 3, 1968.

Two days were taken up in listening to the Briefs and hearing the argument of the parties with relation to some of the issues in dispute. Following this meeting, another meeting at which all parties were present, (all parties were represented by the same persons at both meetings) was convened at the Canada Department of Labour Board Room in Toronto, on April 17 and 18, 1968.

Again the issues in dispute were further discussed and further representations of the parties were heard. Substantial progress was made at this meeting in resolving some of the issues on a tentative basis.

A further meeting, at which all parties were represented, was held in Ottawa on May 3, 1968, at the Canada Department of Labour Office, and at this meeting all issues in dispute were settled, on a tentative basis, and an agreement in principle was arrived at, subject to final settlement of the question of wages.

Rather than set out all the issues in dispute, attached hereto is a copy of the conditional agreement arrived at with respect to all items, except the question of wages, affecting the three agreements - the field, the construction, and the Cornwall Headquarters Building agreements.

With respect to Articles 8.2, 8.5 and 23.9 the wording which the parties worked out is as follows:

#### Article 8.2

In changing methods of operation by the elimination or replacement of structures, (not including the closure of second-line canals) which results in the abolition of operational, clerical or maintenance positions, employees covered by this agreement, whose dates of entry into service are prior to January 1, 1965, shall be retained in the employment of the Authority, provided:

(a) employees who have reached the age of 60 and have superannuation entitlement for at least 25 years may be retired if such an operational change results in the abolition of their positions;

(b) the authority may assign an employee whose position has been abolished by such a change, to another vacated or newly created position in the same Seaway Region without the necessity of bulletining, provided that the employee's rate of pay will not be affected by the fact that the position is at a lower classification;

(c) if the employee whose position is abolished is not eligible for superannuation in (a) above, he may elect to use Article 7 and retain his former rate of pay provided he displaces an employee in a position which is not lower rated than the one to which he has been assigned in accordance with (b) above;

(d) an employee who occupies a position under the terms of either (b) or (c) above that is rated lower than his abolished position shall be deemed to bid on future bulletined positions rated higher than the position he occupies, provided the bulletined positions are not rated higher than his abolished position and he has the ability to perform the duties of the position;

(e) if the employee whose position is abolished is not eligible for superannuation in (a) above, and he does not accept a position under the terms of either (b) or (c) he may elect to use Article 7 without retaining his rate, and the displaced employee shall be entitled to avail himself of the provisions of this article.

#### Article 8.5

Employees laid-off as a result of changes contemplated under this Article shall be entitled to a special gratuity in accordance with the following schedule (in addition to any gratuity payable in accordance with the provisions of Article 22), provided that a special gratuity shall be payable at the end of each month of lay-off and shall be limited to the period of his separation from the service of the Authority.

<u>Years of Service</u>	<u>Months of Pay</u>
2	3
3	4
4	5
5 and over	6

#### Contracting-out

#### ARTICLE 24 (Replacing Article 23, 9)

24.1 Work traditionally or presently performed by employees covered by this agreement shall not be contracted out unless the Authority establishes that:

- (a) sufficient qualified employees, whether working or on lay-off, are not available; or
- (b) an emergency or an exceptional volume of work exists which is beyond Authority resources for the available period of time, for which situation the Authority cannot be held responsible.

24.2 Contracting-out of work shall not result in reduction of rates of pay nor cause lay-off of employees.

24.3 Where the Authority establishes the need to contract out work, the Regional Director or his assistant shall give the Local Chairman as much prior notice as possible, setting out the nature of the work and the reason for going to an outside contractor.

24.4 Any grievance arising under this Article may be commenced at Step 3 of the Grievance Procedure under Article 21.

The Board therefore recommends that, in addition to the issues which were resolved directly between the parties before the matter was referred to the Board, that, the parties incorporate in a new Collective Agreement the terms of the conditional settlement, a copy of which is part of this recommendation and set out fully above.

During the last meeting of the Board with the parties at Ottawa, a great deal of time was spent in an effort to resolve the question of a general wage increase. Before the Board neither party moved from the positions which they had taken before the conciliation officer previous to the constitution of the Board of Conciliation.

However, in private discussion with the parties it appeared to the Board that both parties were willing to move considerably from the official position with respect to wage increases, as given to the Board.

Nevertheless, after several hours of consultation, both privately and with the representatives of the various parties, at the end of the last meeting at Ottawa on May 3, the Board was not able to resolve by way of agreement between the parties the issue of wages.

It is not the intention of the Board of Conciliation to review in any great detail the statistical information supplied to it with relation to the issue of wages. However, with the very substantial increases that the employees obtained as a result of the last contract negotiations, it is clear to the Board that any increase recommended by it should be much more modest than that agreed to for the contract period which terminated December 31st, 1967.

During 1968 contracts affecting units of more than 500 employees provided increases varying from very

small to substantial percentages, some running as high as 17 to 18 per cent.

The Board recommends that the increase for all employees represented by the Canadian Brotherhood of Railway, Transport and General Workers should be six per cent effective January 1, 1968 and a further six per cent increase, if the contract is to be for a period of two years.

The Chairman, however, is of the opinion that the contract should run for 28 months and expire on April 30, 1970 and, having in mind the full submissions of both parties with respect to the issues in dispute, the Chairman would recommend that instead of a two year contract on the terms above set out the parties agree to a 28-month contract, in which there should be provided the following increases:

1. from January 1, 1968, an increase of eight per cent to run for a period of 14 months until February 28, 1969;
2. from March 1, 1969, a further and additional increase of seven per cent to run for a further term of 14 months, until April 30, 1970.

Unfortunately five months have now run since the termination of the last contract, and the Board was not constituted until the 26th of March, 1968. It held meetings as soon as possible after being constituted, and the last Meeting was held on May 3, 1968.

Therefore the Chairman is of the opinion that the contract should run for two years from the date it became evident that the Board of Conciliation was not going to be able to bring about an agreement on all matters between the parties. The end of the nearest month to the last meeting of the Board is April 30, 1968.

That is one of the main reasons why the Chairman recommends the contract run for two years and four months, or two-years from the 1st of May, 1968.

In making the recommendation he has for an increase in wages over the 28-month period, the Chairman is of the opinion that there should be no further mediation between the parties following the filing of this report. The recommendation that it has made for a 28-month contract is based on this assumption.

The Board is further of the opinion that if the parties accept the recommendations of the Board the resulting increases will be fair and equitable to both parties. Any increases beyond that which is recommended would, in the Board's opinion, not be justified by any statistical information presented to the Board, and any lesser increase would not result in a satisfactory settlement.

Belleville, Ont., May 27, 1968.

(Sgd.) J. C. Anderson,  
Chairman.

(Sgd.) K. L. Crump,  
Member.

(Sgd.) Herbert Gargrave,  
Member.

#### ADDENDUM

I have read the Report of the Chairman, and I find myself in agreement with him on all points including the



recommendation in respect to a wage increase of six per cent for the first year and six per cent for the second year of a two-year contract commencing January 1, 1968.

During the course of negotiations, the Authority had, to all intents and purposes, made an offer of six per cent and five per cent, for a total of 11 per cent for a two-year contract.

An examination of 125 major contracts involving 500 or more employees (excluding the construction industry) negotiated during 1967, shows an average annual increase of 7.71 cents per hour. The Collective Bargaining Review, published by the Collective Bargaining Division, Economics and Research Branch, Canada Department of Labour, shows that 43 contracts in major industries employing 500 or more employees were negotiated, in the first three months of 1968, covering 103,960 employees, for an average weighted annual increase of 16.42 cents per hour.

A combination of the 1967 figure, together with the one for the first three months of 1968, would appear to me to form a reasonable basis for a wage recommendation in this dispute. The 34.23 cents per hour figure (1967 - 1968 averages combined) results in a total increase of somewhat in excess of 11 per cent when applied to the weighted average hourly rate of \$3.10 for employees of the Authority.

In view of the close approximation of this figure to that arrived at by the Chairman, I am in agreement that the recommendation of the Board should therefore be six per cent in each of the two years of a new two-year contract.

However, in respect to the proposal advanced by the Chairman for an extended contract of 28 months from January 1, 1968, to April 30, 1970, and wage increases of eight per cent for the first 14 months, and a further seven per cent for the second 14 months of the 28-month

contract, I am unable to agree. In my opinion this results in an unjustifiable escalation of the rate of wage increases over and above the six per cent and six per cent for a two-year contract as recommended in the report of the Board.

Belleville, Ont., May 27, 1968.

(Sgd.) K. L. Crump,  
Member

#### MINORITY REPORT

I have read the Report of the Chairman of the Conciliation Board, and am in accord with this report except for the section dealing with wages. I cannot agree with the Chairman's recommendation of six per cent for the first year and six per cent for the second.

In light of the discussions and our attempts to mediate the dispute, I would recommend that the increase, effective January 1st, 1968, should be nine per cent, and, for the second year of the contract, a further nine per cent, based on the result of the first nine per cent increase.

Belleville, Ont., May 27, 1968.

(Sgd.) Herbert Gargrave,  
Member.

#### CANADA LABOUR RELATIONS BOARD

Reasons for Judgment in Application for Certification Affecting  
National Association of Broadcast Employees and Technicians

(Applicant)

and  
Canadian Broadcasting Corporation

(Respondent)

and  
Canadian Union of Public Employees

(Intervener No. 1)

and  
Syndicat général du cinéma et de la télévision  
(C. S. N.) (Section Radio-Canada)

(Intervener No. 2)

and  
Association Designers of Canada-Television, Film, Theatre

(Intervener No. 3)

and  
Association of Radio and Television Employees of Canada

(Intervener No. 4)

The Board consisted of A.H. Brown, Chairman, and A.H. Balch, E.R. Complin, J.A. D'Aoust, Jacques Guilbault, A.J. Hills, Donald MacDonald and G. Picard, members.

The Judgment of the Board was delivered by the Chairman.

#### Reasons for Judgment

1. By application made to the Board under date of November 30, 1967, the Applicant applies to be certified as the bargaining agent for a unit of employees of the Respondent comprised of two groups of employees

each of which has been heretofore recognized and has bargained as an appropriate separate bargaining unit. One of these groups, hereinafter referred to as Group A consists of a unit of technical employees engaged in the production and transmission of television and radio programs for whom the Applicant is the certified

bargaining agent under an order of certification issued by the Board under date of January 8, 1953. The Applicant is a party to a collective agreement with the Respondent covering the employees in Group A effective for a term running from November 30, 1966 to June 30, 1968. The other group of employees hereinafter referred to as Group B consists of a unit of production employees in theatrical and stage craft classifications engaged in the production of television programs for which a trade union, the International Alliance of Theatrical Stage Employees, hereinafter referred to as IATSE, was certified as bargaining agent under date of August 6, 1953. This certification of IATSE as bargaining agent for Group B was revoked by the Board under date of January 24, 1968.

The Applicant submits that by virtue of the close working relationships and community interests between the employees in Group A and Group B the two groups should be merged into a single unit which is appropriate for collective bargaining.

2. A counter application has been made to the Board by Intervener No. 1 to be certified as the bargaining agent for Group B, on which a hearing was held by the Board contemporaneously with the hearing of the present application. The said application of Intervener No. 1 for certification was made to the Board under date of November 23, 1967. On the evidence before the Board on this counter application, the Board found that Intervener No. 1 has in fact a majority of employees in Group B as members in good standing.
3. On the present application the Board finds on the evidence furnished to it based upon a check of the payroll records of the Respondent and the membership records of the Applicant by the Board's investigating officer that while the Applicant has as members in good standing a majority of employees in Group A, it has not a majority of employees in Group B as members in good standing. By combining the totals of its membership in good standing in each of Group A and Group B the Applicant does establish thereby a majority membership in good

standing in the combined total of the number of employees in Group A and Group B. It is upon the basis of these combinations that the Applicant relies in its application for certification.

4. As the Applicant is now the certified bargaining agent for Group A, a new certification as bargaining agent for this group is unnecessary and superfluous. In the view of the Board the present application may thus be considered in this light as in effect an application by the applicant to be certified as bargaining agent for Group B. However the Applicant does not have a majority of employees in Group B as members in good standing. If considered in the alternative as an application by the Applicant to amend the existing order of certification covering Group A by adding thereto the employees in Group B, the Applicant has not in the opinion of the Board established that it represents or has authority to act on behalf of the majority of employees in Group B in making this application for certification. In fact the evidence of the desires of the majority of the employees in Group B in their support of the application of Intervener No. 1 for certification as bargaining agent of Group B shows clearly that the majority of employees in this group have not authorized and do not support the application of the Applicant for a merger of Group B with Group A in a new unit as proposed by the Applicant.
5. In the circumstances the application of the Applicant is rejected.

Dated at Ottawa, March 13, 1968.

(Sgd.) A.H. Brown  
Chairman  
for the Board.





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# CONCILIATION BOARD REPORTS together with CLRB REASONS FOR JUDGMENT

## Conciliation Board Reports in disputes between

Air Canada and Canadian Air Line Pilots Association (Ind.)

Canadian Pacific Railway and The Brotherhood of Locomotive  
Firemen and Enginemen (AFL-CIO, CLC)

Pto Algom Mines Limited and United Steelworkers of America (AFL-CIO, CLC)

## Reasons for Judgment in application affecting

Syndicat general du cinema et de la television (CSN) (Applicant) and Canadian Broadcasting Corporation (Respondent) and the Canadian Wire Service Guild, American Newspaper Guild (AFL-CIO/CLC) and (interveners) Association of Radio and Television Employees of Canada (CLC) and Canadian Union of Public Employees (CLC)



CANADA DEPARTMENT OF LABOUR

THE  
HISTORY OF THE  
CITY OF  
NEW-YORK  
FROM 1609 TO 1800  
BY  
JOHN E. BOWEN

THE HISTORY OF THE CITY OF NEW-YORK FROM 1609 TO 1800. BY JOHN E. BOWEN. VOL. I. NEW-YORK: PUBLISHED BY J. BOWEN, 1800.



## CONCILIATION BOARD REPORTS

Report of Board of Conciliation and Investigation established to deal with dispute between

The Canadian Air Line Pilots' Association  
and  
Air Canada

The Board of Conciliation and Investigation established to deal with a dispute between the Canadian Air Line Pilots' Association and Air Canada was under the chairmanship of Dean Maxwell Cohen, Q.C., Montreal. He was appointed by the Minister in accordance with Section 28 of The Industrial Relations and Disputes Investigation Act R. S. C. Members of the Board were R.R. Smeal, Vancouver, and H. McD. Sparks, Montreal, nominees of the Association and the Company, respectively. The report of the chairman constitutes the report of the Board. Minority reports were submitted by Messrs. Sparks and Smeal. The reports were received by the Minister of Labour in August.

## INTRODUCTION - AND TERMS OF REFERENCE

On May 31, 1968, the Minister of Labour appointed a Board of Conciliation pursuant to The Industrial Relations and Disputes Investigation Act R.S.C. 1952.

The members of the Board were Mr. R.R. Smeal of Vancouver, B.C., the Association's nominee, and Mr. H. McD. Sparks of Montreal, P.Q., the Company nominee, and the Chairman, Dean Maxwell Cohen, Q.C., of Montreal, appointed by the Minister in accordance with provisions of Section 28 of the said Act.

The Association and the Company were bound by a Collective Agreement terminating after a two-year period on April 1, 1968. In anticipation of the general problems of collective bargaining between the parties against the background of their many years of experience, plans were made late in 1967 to commence collective bargaining early in 1968 in order to complete the process, if possible, before or soon after the termination date of the agreement.

The parties exchanged proposals early in January of 1968 and a number of bargaining periods took place from early February to April 9/10, at which time the Association filed a request for the appointment of a conciliation officer by the Minister of Labour to assist in the attempt to resolve the issues in dispute.

The parties met with the conciliation officer, C.E. Poirier on April 18 and 19 and he reported on April 24 in a letter to W.P. Kelly, Director of the Conciliation and Arbitration Branch of the Department of Labour, that further conciliation efforts would be unavailing and that:

"...a final settlement at this stage could not be visualized. Moreover the fact that the Union membership was in a very militant mood, it was felt that the immediate appointment of a Conciliation Board would serve the interests of the parties in a more practical manner."

The present Board came into existence because of these developments.

From the documents presented by the Department to the Board, it was evident that there were a large number of issues that remained unresolved, particularly in the view of the Association. In a summary prepared for use by the parties in April 1968, and in a list set out on page 2 of the Association's principal submission to the Board, dated May 1968, the areas of disagreement covered: wages (several items); expenses; car allowance; uniforms; Second Officer upgrading; calculation of average salaries; load consolidation protection; dead-heading; pass priorities; duty time while deadheading; new equipment; training and relocation; hours of service (this includes the ten separate sub-items); vacations; sick leave; leave of absence; seniority; filling of assignments; furlough and severance; grievance procedure; physical examinations; missing and internment benefits; leasing arrangements; scheduling rules; drafting; flight guarantees in case of flight removal; access to personal files; pilots holding flight navigator's licence.

By the time the Association's principal brief was filed with the Board at its first hearing on June 12, the list of unresolved matters set out in the Association's brief had altered slightly but the essential disputed areas remained very much the same.

Under the item of "wages" in the April list, for example, were a number of matters given individual status in the May brief but essentially the outstanding issues were as above. Indeed, when toward the end of the hearings, the issues began to sort themselves out more clearly, the parties seemed to agree to the following list (prepared by the Association) as summarizing in some relative priority the items that required the attention of the Board, or further negotiation or other procedures: 1. Wages; 2. Expenses (meal allowance, car, uniform); 3. Wet Leases; 4. Filling Assignments; 5. Hours of Service (duty periods); 6. Hours of Service (the guarantees); 7. Supervisory Flying; 8. Training and Relocation Pay (simulator etc.); 9. Grievance Procedures (operational safety); 10. Miscellaneous (average salary and guarantees); 11. New Equipment; 12. Loss

of Bid Status (furlough and severance); 13. Miscellaneous (drafting); 14. Missing and Intermment Benefits.

In the above list it was hoped by one or both parties that the Board's report would give the most immediate priority to an extensive and serious analysis of wages; expenses; wet leases; filling of assignments; hours of service (duty periods); and hours of service (the guarantees); and operational safety and grievance procedures.

The Board sat in both formal and informal sessions in accordance with procedures set out in Section 32 of the Act. Hearings were held on June 11, June 12, June 13, June 18, June 19, July 21, July 23, July 24 and July 27.

The Chairman also had a special meeting with the members of the Executive Committee of the Association on June 20, in order to explain the procedures the Board was following and to express the hope that the Association would give its full support to the Board.

In general, the Board followed the normal procedure of permitting the Association to present its claims and grievances and requests for changes in the Collective Agreement as fully as possible and, in turn, acceded to the request of the Company to have full opportunity to reply by way of briefs and other documentation to the Association's general argument and particular demands. Led by Mr. Kidd, the following representatives of the Association attended the formal hearings: First Officer Bruce Beresford, Captain Roy Cartwright, First Officer R.E. Cook, Captain J. Foy, First Officer R. Gilmour, Captain O.E. Taite, and Captain John Wright.

The Company representatives led by Mr. Charles Eyre, were: Captain W.R. Bell, Captain K.J. Davis, R.T. Forrest, B.F. Miller, N.A. Radford, Captain J.L. Rood, and Captain J. Wild.

In addition to the principal briefs (not attached to this report as appendices), varieties of miscellaneous documentation were submitted to the Board by both parties dealing with general economic conditions, the Air Lines industry and related matters. This material was helpful and the hearings were marked by much discussion between the Board and the parties attempting to determine the facts; to clarify issues and to ascertain with some precision the essential nature of the continuing differences between the parties. For, in fact, the collective agreement governing the relations of the pilots to the Company represented a complex pattern of industrial relations claims and duties in many aspects quite different from the traditional wage and benefit structures in most industries. Moreover, the arguments before the Board were influenced by a number of direct and indirect elements that tended further to complicate the Board's task. On the one side there were very recent settlements between certain United States air lines and their respective pilot associations which charged the atmosphere and heightened expectations and tensions.

Indeed, the Canadian Association was in a mood of considerable militancy and the negotiating team under Mr. Kidd was clearly subjected to continuing pressures from a large number of the Association membership impatient with the negotiations, sensitive to delays in the matter of unsolved claims and grievances and requiring of their leaders evidence of rapid and successful action. On the other hand, the Company was under the pressure

of a concept of settlement which seemed to be emerging from other disputes involving the federal Public Service and related Crown Corporations. Perhaps equally important, both sides soon made it evident that they were placing much argument in the broad context of certain important economic concepts notably the idea of parity with the United States and the idea of productivity gains and their relevance to wage settlements.

From the beginning it was evident that the Board faced a mixture of merits, economic and psychological, and perhaps even "political", if the latter term is understood to mean only certain realities in the relations of the parties and certain features of the internal problems affecting the Association itself - notably its new militancy. The Board therefore was faced also with a reasonable demand for the earliest possible completion of its task in view of the many months that had elapsed since negotiations began in January. Yet all of the various technical and economic merits, if given the attention they deserved, made it imperative for the Board to come to grips fully with the principal issues in the hope that not only would this lead to a better understanding of them by the Board but to a more reasoned and reasonable approach by the parties in consequence of the common educational process undertaken through the presentation of arguments and the cross debate about them with and before the Board. The Board has therefore no apology to make for the time spent on its proceedings, namely less than two months since its hearings began and the submission of a final report. Indeed the Board feels that the situation of the parties placed the Board under some severe pressures to complete its hearings and report very quickly, with the result that the time available for serious analysis of all of the issues raised was much too limited, and to that extent the report is less detailed and comprehensive than it might otherwise have been.

## MAIN WAGES CLAIMS - PARITY AND PRODUCTIVITY

### *Formula Pay Pilots*

It was, and remains, the Board's opinion that the central questions before it were the wage claims of the Association. The Board believed that if some effective or acceptable recommendation could be made on wages, many of the other important matters and related secondary questions might then fall into some proper perspective lending themselves more readily to negotiation and settlement.

The wage problem of the pilots, the basis of their present claims, represents a special case in the development of a wage policy in a given industry, and in its relation to wage determination in general. Any satisfactory theory of wages in a free enterprise economy will take into account the effect of demand and supply in relation to the labour force as a whole and to the particular skills concerned; the rate of economic growth in the economy generally as well as in the particular industry where wages are in issue; the labour productivity component in general economic growth, however measured, as a criterion for determining labour's share in the benefits of growth together with some similar analysis to be applied, wherever possible, to the particular industry or firm. In short, wage determination is influenced by a complex of elements although that complex is often disguised by the collective bargaining pro-



cess. To put it in other terms, collective bargaining leading to wage setting "...in the Canadian economy generally takes place at the level of the individual establishment or company ... There is no national system of wage determination which guides wage setting throughout the economy ..."<sup>1</sup>

Such a decentralized process of wage determination is nevertheless "closely influenced by economic forces.... Wages rise faster in periods of expansion than in stable or contracting periods. They reflect changes in the economic fortunes of occupations, industries and geographical areas and they appear to respond quickly to significant changes in the composition of labour demand and supply. Market forces probably play a more important role in wage determination in Canada than most, if not all, of the advanced industrial nations of the world."<sup>2</sup>

Despite these general descriptions of the framework of wage settlement it remains a fact that the settlements themselves are not only individually determined but also will necessarily reflect the bargaining situation of the parties viewed narrowly as between themselves and, in particular, viewed in the perspective of a possible monopoly position of the labour force in the particular firm or industry, with little or no means to provide for mobility, replacements, etc. or alternative sources in similar skills or services. As has been said, "settlements tend to vary with the cycle.... Union wage movements also appear to vary with the economic fortunes of individual industries."<sup>3</sup> Again, "...the relation between settlements in large bargaining units and overall wage movements in individual industries appears to be weak."<sup>4</sup>

The significance of these views to the present case is to remind the Board that it is dealing with wage claims that are uniquely associated with a particular function, namely skilled pilots in a particular company and industry, at the same time as there are some overall patterns of contemporary wage settlements in Canada within which the pilots' claims must somehow be understood and related.

One final word on the general question of wage determination as it affects the pilots. From one point of view, collective bargaining within a generally free enterprise framework seems to offer opportunities for economic flexibility, providing the most likely rational response to the "market" and its supply and demand features at any given time. Yet from another viewpoint the pilots possess almost exclusive control over certain kinds of services for which there is no serious domestic or international labour supply readily available to replace them. At the same time the Company itself is in a preferred position as a nationally-owned airline with few or marginal competitors. Air Canada alone serves all of the principal centres of Canada and therefore a large part of the Canadian transportation system is dependent upon its services.

Viewed in this setting, we are dealing with a collective bargaining process between two essentially near-monopoly groups. This is not unusual in Canadian industry for several analogous situations can, no doubt, be pointed to, but at least the description of the parties' quasi-monopoly status gives another dimension to the

effectiveness of market forces on the parties' behaviour and may provide some further insight into the reasoning behind their claims for or against changes in the wage levels demanded by the pilots. To put it plainly, the strong bargaining position of the pilots is a factor to be considered, and the preferred position of Air Canada in providing the major air services of the country is equally to be appreciated in this bargaining context.

It is now necessary to examine the specific wage claims of the Pilots' Association. To do so realistically, however, the special nature of the pilot wage structure must be understood.

Up to 1957 the pilot employees of Air Canada were paid on a "flat salary" basis in which classifications according to years of service and types of skills were the principal determinants. During this period, however, from 1943 on, the Air Line Pilots Association in the United States negotiated agreements which radically altered what, up to that time, had also been generally a flat rate pay method. In their collective agreements after 1943 a system of "formula pay" was agreed upon. Formula pay was divided into two parts: (1) base pay, and (2) flying pay.

In general "flying pay" took into account a number of factors such as the speed of the aircraft; the mileage flown; day and night flying; the gross weight of the aircraft. Other aspects of formula pay included a minimum hours' guarantee per month, a minimum hours' guarantee per day; overseas pay increments, as well as other formulas dealing with the relationship between flying time guaranteed and the total "trip" (trip hour guarantee) as well as flying time guaranteed during a "duty" period (duty period guarantee).

Thus the formulas described were a mixture of a pay system that was related to the changing size, speed and capacity of aircraft as well as formulas which provided for certain minimum guarantees both daily and monthly in order to take into account the great variations that weather and scheduling might impose upon a pilot in the use of his duty time during much of which he might not in fact be engaged in actual flying. To some extent these and certain other minor guarantees were of a "working conditions" nature whereas the formula pay was actually that pay which gave the pilot his hourly rate, (half-day, half-night), related to the speed and weight of an aircraft and these were agreed upon and pegged at certain speeds and weights for wage determination.

In the United States there was a time when such formulas included "terrain" pay but that seems to have been eliminated (except for overseas, and therefore to have oceanic differentials which are also part of the CALPA Agreement with Air Canada).

This system of formula pay came into effect in Canada in 1957 and apparently had an immediate upgrading impact on pilot income (although it did not apply to a pilot's first two years of employment). More important, it immediately related pilot pay henceforth to each technological improvement in air transportation as represented by newer planes with greater speed and/or capacity and weight. Thus each new generation of planes from the DC-3 to the North Star, from the North Star to the Viscount and the DC-7's, to the Vikings

<sup>1</sup> <sup>2</sup> <sup>3</sup> <sup>4</sup> Saunders, George S. Wage Determination in Canada, Occasional Paper No. 3, Economics and Research Branch, Canada Department of Labour, April 1965.

and eventually to the DC-8's and DC-9's all had consequences for pilot pay scales because each led to changes in speed or gross weight, although by the time the formula system was adopted the North Stars were being phased out by Air Canada, the Viscounts were coming in and the jets were only a few years away.

Thus the record of pilot pay in Canada since 1957 has had two principal aspects. First, that pay has reflected the acquisition by the Company of newer aircraft flying faster and carrying greater loads. Secondly, under a two-year agreement, the negotiations between CALPA and Air Canada have led to percentage increases negotiated in the ordinary way and these increases were then fed back into the various formulas and base pay rates which were adjusted accordingly.

In the course of the present dispute, the pilots have insisted that the time has come when they should receive a percentage increase which, when adjusted to the formula factors concerned, would give them parity with U.S. pilots. When these negotiations began in January 1968, it was argued by CALPA that a 22.8% increase was required to achieve such parity; and in addition, the pilots asked that formula pay begin after the first year of service rather than after the second year which presently is the case. CALPA also requested that the minimum monthly guarantee be raised from 67 to 70 hours, and there were a number of other minor pay adjustments dealing with hours of service, daily minimums and other matters as well, particularly the trip hour guarantee and the duty hour guarantee.

During the course of the negotiations the figure of 22.8% was replaced by 21% which the pilots declared they would be prepared to accept as a measure of parity. This, however, would only affect "formula pay" and not the various other minimum guarantees (trip hour, duty hour, daily minimum and monthly minimum). The pilots pointed out that even with this 21% there would not be "real parity" unless their minimum monthly guarantee were raised from 67 to 70 hours which is the U.S. minimum. Furthermore, in April and May 1968 certain settlements took place in the United States which led to increases at an annual rate of 6.0% to 7.7% in some cases and which indicated that the target of parity, if it were to be literally pursued by the Canadian pilots, would require a 27-28% settlement — although they were not pressing the new American increases at this time for the purpose of supporting the validity of their own claims.

In a comprehensive brief and a series of tables presented to the Board, the pilots rested their case for the 22.8% or the 21% increase on both the general correctness of parity with the United States as a measure of fair salaries for Canadian pilots but also on the fact that the productivity gains to Air Canada through the rise in its volume of business and the use of newer, larger and faster aircraft justified such an increase in pilot pay as the pilot's proper share of the new level of "productivity" within the Company — a productivity in which the pilots labour component was an essentially important one. Thus the pilots have linked the general upward movement of wages in the Canadian economy to the special productivity gains of Air Canada and to the low pilot unit costs in Air Canada's total operating expenses — into a composite argument leading to a 21% demand, justified both in Air Canada productivity terms on the one hand and parity terms on the other.

The pilots' brief admits that parity for parity's sake alone is not a defensible position when the brief argues: "...while it is considered irrational to advocate parity between Canadian and American wage rates merely for the sake of parity, it is suggested that similar wages can be justified because the circumstances that govern the destiny of the industry and its pilots in Canada are not unlike those circumstances in the United States."

The pilots seem to be saying that not only are they doing the same job with the same level of training on the same kind of planes with the same standard of service in a common North American context, as are American pilots, but that their "input" or contribution toward Air Canada's productivity is at least the equivalent of the U.S. air pilots' input. Therefore a claim to parity is justified since by their statistics Air Canada's productivity has risen substantially and the Company can well afford to share these benefits with the pilots at the U.S. level of pilot wages. In short, the pilots' argument links parity and productivity and justifies parity not merely on vague grounds of North American economic unity or general fairness, but on the identical nature of pilot functions and the identical or even superior productivity contribution of Canadian pilots to the total productivity performance of Air Canada itself. Finally, the pilots point to the level of skills and responsibilities involved in flying the new generation of faster planes, carrying many more passengers under frequently difficult conditions of a technical character and highly congested air traffic lanes. These special skills and heavy responsibilities deserve, in the pilots' view, special consideration in any wages policy affecting them.

This argument is replied to by Air Canada in a strong rejection of the position both as to parity and productivity. It is not without importance that Air Canada felt itself obliged to reply in some detail (in a special brief) to the central economic and statistical analysis presented by the Association. Broadly speaking, Air Canada marshals for its side the general reasoning of those Canadian sources which have warned that so-called wage parity with the U.S. cannot be achieved independently of the general relationship of wages in both countries to national productivity per capita as between the two countries and economies concerned. For to enforce parity as a general aim of Canadian wages policy, when it was not paralleled by an equivalent rise in Canadian productivity, would be to do the proverbial bootstrap trick with consequences leading to artificial price-wage levels, a non-competitive position in the world market, and a likely need to devalue the Canadian dollar or other exchange and economic difficulties. In short, parity for parity's sake is not only to be rejected in theory but it would simply not work in fact unless it were based upon equivalent economic performance to justify it.

The Company thus explores the argument for parity in relation to actual Canadian productivity and points out that Canada's gross national product in relation to the United States per capita has proportionately not changed greatly over the years. Indeed, in Table 2 of its rebuttal, the Company demonstrates this proposition by showing that a comparison of Canadian percentage of U.S. G.N.P. per capita from 1949 to 1967 remains between 69 and 76 with a moving five-year average ranging



between 72.9 and 75. In Chart 1 of the Company rebuttal the ratio between Canadian and U.S. G.N.P. since 1902 is shown to be remarkably constant. Other statistical materials are employed throughout the rebuttal to further justify the general proposition that although the "absolute" improvement in Canadian wage levels is undoubted, and Canadian productivity therefore has been rising steadily, the "relative" position of Canada vis-a-vis the United States has not changed very much over a 60-year period.

Table 7 suggests that the productivity of Air Canada itself, measured in terms of "available ton-miles per employee", as a percentage of a U.S. average, made up of several U.S. airlines, (American, United and Eastern), shows that Air Canada's percentage of the U.S. average has ranged from 53 to 80 in the years 1957 to 1967. This table was challenged in part by the Association on the grounds that the airlines selected were unfair for purposes of comparison.

The Company goes beyond the question of general parity with the U.S. and particular airline productivity and indirectly questions the more immediate and difficult issue of the fairness in general of the formula pay technique for calculating the wages of pilots. In general the Company argues, based upon a number of sources quoted, both U.S. and Canadian, that any system of wage calculation that is solely linked to changes in productivity not only in that industry but to particular workers in that industry, with a monopoly of certain skills or occupations, distorts the development of some proper relationship between wage rates within the industry and the country and leads to inequitable contrasts and, in due course, to a misallocation of resources.

The Company argues, therefore, that formula pay gives the pilots automatic increases based upon new speeds and new weights of planes when the same benefits in the same way are not calculated for any other sector of the airline industry or for that matter for any other industry in Canada (except for a disappearing formula in the Pulp and Paper Industry). The Company's argument seems to be two-fold; first, that the pilots are getting automatic raises whatever may be the changing nature of their skills and responsibilities, if any; and, secondly, that this represents a productivity benefit which belongs to everyone associated with the economy, whether airlines or otherwise, and any new improvement in transportation should yield benefits to the whole community and not automatically to one small group associated with the industry itself.

Thus the Company rejects the validity of parity as a target. It denies the justification of pilot "input" as a basis for claiming the pilots' share of labour productivity would give them wages comparable to U.S. pilots since neither Air Canada productivity nor Canadian productivity in contrast to U.S. productivity as a whole, or U.S. airline productivity in particular justifies it.

The Company says that every country has wage rates related to its own economy and Canadian pilots with their "formula pay" are receiving a Canadian variant of a U.S. formula pay system which gives them a very good scale in contrast with scores of occupations and professions in Canada; further, that there is no justification for measuring the Canadian pilot income

by U.S. standards any more than for measuring the incomes of teachers or doctors or mechanics, all of whom, on an average, earn less in Canada for doing exactly the same kind of work in a similar North American setting. The Company claims that its position is further supported by the fact that at present its pilots are paid percentages that compare very favourably with those paid by a group of major U.S. airlines. It quotes from the Association brief the following with respect to the percentage of U.S. wages, paid to Air Canada captains:

DC-8 . . . . .	83.7% of U.S.
DC-9 . . . . .	82.5% of U.S.
Vanguard (or equivalent) . .	84.6% of U.S.
Viscount . . . . .	86.5% of U.S.

All of these figures, of course, are subject to the fact that there are new U.S. pilot wage settlements which, for the moment, makes the gap considerably larger.

However, Air Canada points out that in the Association's brief the pilot wage relationship between Air Canada and Eastern Airlines for example has risen from 75% in 1957 to 81.2% in 1967. In general the relationship, at the moment, between Air Canada and a number of U.S. airlines ranges from 81.3 to 86.4% for all classes, (captains and first officers of all planes — except for the second officer on the DC-8 who is in a special position at 67.8%).

The net result of this analysis, argues Air Canada, is to make it impossible to accept parity either on economic grounds or for socio-geographic reasons and to express the conviction that:

- (1) the pilots already are very well paid for their functions;
- (2) they are paid a going Canadian rate within a Canadian setting;
- (3) their pay already exceeds on an average 83% of the U.S. pilot pay, until the recent U.S. settlements; and
- (4) the formula pay system gives the pilots automatic increases available to no other group and thus they already have therefore a fixed and automatic share in any new levels of labour productivity which may come from improvements in the speed, capacity and weight of aircraft.

Indeed, Air Canada concludes its general argument that in all negotiations with the pilots the formula pay always has been an element taken explicitly or implicitly into account and that over a ten-year period such formula pay amounts to perhaps between 2 to 4% per annum, taken on an average curve as each new generation of planes appeared, thus yielding automatic increases. To put the Company position very simply: if at the present moment the formula pay is worth, in itself, 2 to 4%, Air Canada wishes the Board to regard this amount as already built into any pay increases received and therefore to be taken into account in recommending any general percentage increase, across the board, to the pilots.

To all of this the Pilots reply that:

- (1) there is a general movement towards parity in a number of industries and their Table LI on page 76 of their brief demonstrates this tendency with Pulp and Paper at 96.6, Petroleum Refining and Products at 100.2 and Sawmills at 106.1 (over parity). With other rises in motor vehicles, agricultural equipment and metal mining, all of these

now give an average for such industries of 93.4% of parity with the United States.

- (2) The pilot unit cost to Air Canada is much lower than the pilot unit cost to the average U.S. airline and this is evidence that even without parity there is a lack of proper proportion in the pilot wage scales in contrast with those in the United States when the U.S. pilot's share of wages is compared with the total wage bill of the U.S. airlines concerned.
- (3) Each industry negotiates its own terms and the more successful industries showing greater productivity do not have to be held back in their wage scales and, indeed, this is demonstrated by large differentials in wage settlements in Canada.
- (4) The pilots require in the new aircraft increasingly specialized skills; they have increasingly sophisticated responsibilities in flying and in safety and they do exactly the same job as their American counterparts with the same planes and within the same geographical setting - all for a successful company that can afford the same pilot pay scales as its opposite numbers in the U.S.

By way of a final general rebuttal, Air Canada points out that the 21% demand is far out of line with all recent Canadian wage settlements. In Table 13, the Company shows that, weighted by the number of agreements, the average annual increase in two-year agreements was 8.5%. When weighted by the number of employees the two-year agreements showed average annual increases of 8.3%. For one year agreements in the first weightings it is 7.7% and for three-year agreements 6.8%. In the second weightings, for one-year agreements, it was 7.4% and for three-year agreements, 6.9%. The argument is made therefore that a 21% increase, even spread over two years, is out of line with the going Canadian rate of wage settlements; that Air Canada simply cannot afford it in terms of its own earnings; and that it is not justified for economic or any other considerations.

The Board has given the closest attention to these arguments and has concluded that in dealing with the pilots there are some very special features to both the system of pay by formula and to their quite professional image both in functions and income. Indeed, how does a Board react to a union whose formula pilots earn anywhere from \$11,000 to \$28,000 per annum? This is a very special kind of union. There is no problem here of an overall sense of urgency to find a wage scale that provides a decent minimum standard of living. Put in the broadest terms we are really examining a mixture of measurements involving concepts such as "parity", "productivity" and "what the traffic will bear" rather than trying to improve the minimum living conditions of a low income union membership.

Nevertheless, the Board cannot ignore the fact that pilots are a very specialized group, highly trained, subject to rigorous medical requirements and supervision, their skills frequently tested both by government and employer, and their responsibilities for the safety and the lives of air passengers so taken for granted that the air lanes are as safe as the highways, perhaps even safer. But that safety and efficiency are products of many skills, from designers to maintenance mechanics, from meteorologists to manufacturers, indeed, the whole

complex of skills that is the aircraft and air transportation industry.

Yet the pilot has a special place and the Board recognizes he would not have reached his present level of income if there were not a demand for services that are not in large supply since not everyone is equipped by temperament or aptitude to be trained as a pilot. It must also be recognized that the demands on the pilots' skills are increasing in some very technical areas as plane technology moves forward with higher speeds and weights and capacity and, finally, that this overall sense of responsibility is very likely a powerful source of daily occupational stress.

These are good reasons for justifying wage scales that have brought the pilot into a class of wage rates much closer to the professions than to the classic working man's image usually associated with union activity.

For these reasons, the Board believes it is not dealing with questions of urgent material necessities but with the more specific questions that arise out of the debate over parity, productivity and general fairness within a Canadian context.

The Board, therefore, has concluded that the pilots are entitled to reasonable increases moving along with the remainder of the Canadian economy as wage rates in general continue to rise in almost all sectors responding to economic growth as well as increases in the cost of living. The Board does not accept, and the pilots themselves do not demand, parity for parity's sake. Indeed, the pilots have shown appreciation of the issues by attempting to link parity to productivity. The Board, however, is not satisfied that so-called pilot productivity can be considered in isolation from general Company and Canadian productivity thus justifying special treatment within Air Canada for a special minority, for some of its most highly paid employees. To accept such a principle would be to place the pilots in a permanently privileged position not merely with reference to their present actual wage levels as compared with other employees of the Company, and other Canadian wage earners generally, but compared also in the methods by which theirs and other wages are calculated in Canada, resulting in pilot equality with the United States independently of other Canadian or company or industry considerations.

For these reasons the Board must reject the demand for immediate parity as such although it does not reject this as a legitimate medium or longterm target for the pilots. But the achievement of parity should depend not on CALPA bargaining strength but on the Company's productivity and above all, on nationwide productivity as it moves increasingly, not only by industries but per capita in Canada as a whole, toward U.S. levels.

For these reasons the Board believes it to be fair to use as a proper measurement for the pilots' claims many of the settlements now being achieved within the Canadian economy. As already indicated, these settlements for two-year contracts have been running at the rate of about 8.4% per annum for "two-year" contracts. Since the pilots (and the Company) are satisfied to retain the two-year agreement as the desirable period for which such collective agreements should run, there is no good reason why such an emerging national average for 1968 should not be employed for the Board's guidance in dealing with these wage claims. The Board has de-



cided to adopt this standard and to recommend that the pilots on formula pay receive a percentage increase amounting to 8.5% for the first year and 8% for the second year, the contract to run from the date of the appointment of this Board, namely June 1, 1968, but the 8.5% to be retroactive to the date of the termination of the last Agreement, namely, April 1, 1968. In this way the pilots have on the one hand, the benefit of wage retroactivity and, on the other hand, the Company has a somewhat longer period of contract stability which the additional two months provide by having the new agreement run from June 1, 1968 to June 1, 1970 — a total increase by the second year of 16.5%.\*

In making this recommendation the Board wishes to point out the relatively generous character of the percentages used in view of the fact that already there is built into the pilots' pay system through formula pay an average pay increase of 2 to 4% per annum. Indeed, it may be argued that unless there is some other interpretation given to the effect of formula pay, productivity gains to the value of 2 to 4% already are being received by the pilots and therefore, the present percentages suggested by the Board could be interpreted as amounting to a wage increase actually larger than the percentages here recommended. This would likely be the view of Air Canada in interpreting the Board's decision and it probably would be the view also of any impartial observer attempting to determine the significance of the automatic increases provided by formula pay.

Indeed, the pilots themselves recognize that there is a productivity component in formula pay. This was the very basis for initiating the formula pay plan in the United States and later in Canada, namely, to insure to the pilots a pay scale that reflected the rising productivity derived from faster planes with greater capacity. Apart from the above reasons, the further justification which the Board feels in making such a recommendation is its attempt to satisfy the pilots that they are remaining within a reasonable distance of the U.S. differential and without rejecting parity as an ultimately achievable objective.

The Board hopes that the pilots will accept this recommendation since it meets the test of reasonableness in itself. It reflects the best of national averages in recent settlements and it is not qualified or limited by those other increases that they are automatically receiving from their formula pay. The pilots are, therefore, receiving as good as the national average. They are retaining the benefits of formula pay and are thus reinforced in their generally privileged position. They are moving steadily toward an improved pay relationship with U.S. pilots although some reasonable gap is wholly justified by the facts of Canadian economic life in relation to the more productive U.S. economy.

#### *Formula Pay at the End of First Year*

The pilots have asked that formula pay begin at the end of the first year and the beginning of the second year of service. The Company replies that this might lead not merely to higher costs but to certain inequities such as a junior man in his second year, because of scheduling and planes flown, earning more money than a third or fourth-year man. The Company has proposed to increase the second-year pilot's pay (depending upon qualifications) from \$600 as at present to a range of

\$650, \$700 and \$775 in the first year, and to a further range of \$700, \$775 and \$825 the next year. This will much improve the wage structure for second-year pilots. Therefore this does not seem to be an urgent question and, for the time being, the Board makes no recommendation, on the assumption that these proposals will be adopted.

#### *First-Year Pilots' Pay*

First-year pilots' pay tends to be on the low side, running from \$7200 to \$8400 per annum. It is the Board's understanding that the Company has proposed an increase, spread over two years, to the first-year pilots' pay in accordance with the following formula: A first-year pilot receiving \$550 today, under these proposals would receive \$600, \$650 or \$700 (depending on his qualifications) for his first 12 months; and \$650, \$700 or \$750 in the second 12 months. In that case, although the Association has not asked for special treatment here, this seems to be a generous proposal on the part of the Company so as to avoid any friction between the first and second-year pilots over their respective pay scales.

#### *Overseas Differential*

The Board has been made aware of the fact that the navigators are to be phased out, being replaced by automatic navigational instruments. This development undoubtedly will add to the technical and management burdens of the pilots on overseas flights since they will have to be their own navigators. Under these conditions, some overseas differential is justified and although no change is recommended at this time in the overseas differential pay, the parties are advised to prepare for the new situation and negotiate an equitable arrangement accordingly in some new overseas differential scales.

### MINOR WAGE ADJUSTMENTS

#### *Monthly Guarantee*

The Association has asked for an increase in the monthly guarantee from 67 to 70 hours. The Company opposes this increase because although it represents the U.S. minimum of monthly guarantees it tends to reduce the incentive to fly by reducing the gap between the minimum and the maximum, which is 85 flying hours per month. The actual average flying time for CALPA pilots is about 83 to 84 hours per month, except for the most junior pilots on reserve who often do not break through the 67 to 70-hour time period. The Company also stated that it would cost a considerable sum of money if such increases in the monthly minimum were recommended. But the Company seems equally concerned about the psychological effects.

The Board recommends that the minimum monthly guarantee not be changed and remain at 67 hours, as at present. The matter can be reviewed every two years. No serious hardship seems to follow from the present minimum and the great majority of pilots are well beyond such monthly minimum in their actual flying time.

#### *Trip Hour Guarantee*

The pilots have asked that the ratio of one hour's flying pay for every four hours in the course of the total elapsed time of the "trip" should be changed to one

\* Messrs Sparks and Smeal disagree with this recommendation.

hour's flying pay for every three hours of total elapsed time. The effect of this claim would be to give a pilot away for 24 hours, however much flying time he had in that 24 hours, a flying pay-rate of eight hours (half-day, half-night) instead of six hours, as at present. The Board recommends that there is some justification for a change but that further joint studies shall be made by the parties together to determine a fair approach since the Board has not had the time to fully assess the problem.

#### *Duty Hour Guarantee*

CALPA has asked for a change in the rate of the Duty Hour Guarantee, which is presently paid at the scale of one hour flying pay for every two hours on duty, to a scale of one hour flying pay for every hour-and-a-half on duty. "Duty" is defined as the total time from one hour before the first flight to 15 minutes after the last flight or until such flight is broken by the 8- or 10-hour legal rest period as provided in the agreement (and to be referred to later in this Report). As a subordinate part of the duty hour guarantee, CALPA is also asking for a minimum daily guarantee which presently assures three hours of flying pay whenever the pilot is on "duty" but now to be raised to four hours and 15 minutes during such daily duty periods.

The Board recommends that the Company look seriously into the fairness of the present minimum daily and duty hour guarantees, for the Board is inclined to think that there is much to be said for the pilots' request although it frankly has not had the time to analyse statistically or in human and on-the-job terms the essential merits of these claims.

### WORKING CONDITIONS

CALPA has made a number of requests for changes and improvements in working conditions. These may be divided into two classes: (a) those working conditions that have to do with flying as such; and (b) those working conditions that have to do with other aspects of a pilot's employment.

#### *(a) Flying Working Conditions Claims*

##### *The Fourteen Hour Day*

There are several aspects to this matter and it is related to the Silent Hours question. As matters now stand, a pilot can be required to be on duty for 14 hours including another four hours for deadheading and another two hours, up to 20 hours voluntarily. If, however, the flight begins between 12 midnight and 5 a.m. the period permitted with respect to duty cannot exceed 12 hours. The pilots have asked that the Silent Hours run from 10 p.m. to 6 a.m. and that flights beginning during that period should not have a duty period exceeding 12 hours. The Company points out the difficulties in scheduling which often makes it necessary to have early morning flights. The Board recommends that since there are fatigue and efficiency questions here, further study be given to this matter and in the meantime the Silent Hours shall run from 11 p.m. to 5 a.m. In this connection the Board was informed also

that where there is a third pilot, the Contract permits an extension beyond 14 hours, but since third pilots are virtually no longer in use, this does not seem to be a real difficulty at this time and until the new planes require them.

##### *On The Go Time*

The Board is inclined to think that the present 14-hour day that, including "deadheading", can go up to 18 hours, or, voluntarily, for a further two hours up to 20, again raises questions of efficiency and safety from a stress-medical-physiological point of view. These are questions of fact on which the Board did not have enough evidence to make a simple recommendation as such but clearly this represents an area for joint fact finding of common concern to the pilots and the Company. The Board recommends that they engage in such common research to determine the best possible standards for safety and efficiency.

##### *Short Turn-Around*

At present pilots are given a legal lay-over rest period between trips of eight hours at an airport hotel or 10 hours for a hotel downtown. The pilot has 15 minutes duty time to leave the flight and must report for duty one hour before the flight. Again the Board is in the difficult position of not having had much general evidence on this issue but it is perfectly clear that the eight-hour rest period nevertheless is a very short one considering the time it takes the pilot to leave his duties at the airport and get settled in his airport hotel to find sleep and rest. Then he must get up to prepare for the morning flight and all of this is likely to reduce his total rest period to about five or six hours. For these reasons it may be desirable to have a flat 10-hour lay-over period to apply wherever the hotel might be. Again, the Board is reluctant to impose new scheduling and personnel burdens on the Company which, it has been informed, would be the case if the period were extended to 10 hours since most early morning crews sleep in nearby airport hotels. It seems to us, however, that the Company and the Association ought to find a common answer to the reasonable minimum rest period required that is also consistent with efficient scheduling and without undue cost to the Company. The Board therefore recommends an interim 9-hour lay-over period for airport hotels pending a study by the parties to determine the feasibility of a flat 10-hour period for all hotels, wherever located.

#### *(b) Working Conditions Other Than Flying*

##### *Meal Allowance*

CALPA has asked for an increase in meal allowance from \$7 to \$12 per day. The Board is prepared to recommend an increase from \$7 to \$9.50 per day which should be adequate to look after meals and tips at good standard restaurants in all Canadian and U.S. cities.\*

##### *Uniform Allowance*

At present Air Canada pays half the cost of the uniform per annum and provides pilots with their

\* Messrs. Sparks and Smeal disagree with this recommendation.



hats, buttons, insignia, etc. The European practice is to supply clothing, including shoes, ties, socks, etc. to pilots. The U.S. practice is to supply none. CALPA is asking for Air Canada to pay the full costs of uniforms to which should be added the costs of accessories, shoes, ties, etc. It is the Board's opinion that there is no serious case whatever to be made for payment by the Company for the accessories or the raincoat which normally would be required and worn by the pilot for his ordinary purposes. However, there is a case to be made for the company to supply one uniform per annum were it dealing with impoverished, marginally paid personnel, not with employees who rightfully wish to be treated as professionals and, in fact, have the income of executives and professional persons in the Canadian wage scale. For these reasons the Board recommends no change in the present uniform allowance practices. Transportation to and from the Airport

The pilots are asking for \$2.50 to defray the cost of transportation to and from the airport. It seems to the Board that it is not reasonable to expect the Company to pay for pilot's transportation at his home base where he usually has his own car and is in no different position than any other employee.

#### GRIEVANCE PROCEDURES - OPERATIONAL SAFETY

The parties appear to be in agreement that grievance procedures should be updated and provision for arbitration should be made in accordance with the requirements of Section 19(1) of The Industrial Relations and Disputes Investigation Act, thus replacing the present provisions in the collective agreement which do not conform with that section.

The only matter in dispute here is the question as to whether the present exclusion from arbitration of "operational safety" shall be retained or altered. As matters now stand "operational safety" questions are subjects for grievances but once an arbitrator finds that the question is a matter of "operational safety" then he is forbidden by the present agreement from arbitrating on the merits, and thereby from possibly changing the Company's decision. The Association asks that this procedure be changed to permit the arbitrator to decide on the merits as to whether the griever was or was not an operational safety risk justifying company dismissal or grounding. The Board believes that the Company in co-operation with the Association should develop some methods of appeal to deal with an operational safety decision by management that leads to the grounding of a pilot or his discharge from employment. The Board therefore recommends that an appropriate technical appeal board be established within the Company, and in association with the union, to review Company decisions on operational safety matters affecting the careers or employment of Company personnel.

#### WET LEASING

The Association claims the recent decision of Dean H.D. Woods which interprets Article 37 (b) of the collective agreement as permitting the Company to

lease aircraft with non-Company pilots as a managerial right could lead to loss of earnings by pilots of Air Canada. The Board is of the opinion that the Company must have the right to lease aircraft and if the lessor insists on his own pilots then the Company is in a difficult position if urgent passenger business, and a shortage of planes, requires such leases. The Board recommends that the collective agreement provide that such leasing shall take place only under urgent and temporary service conditions where the Company is unable to provide required services with its own equipment and pilots and, moreover, that such leasing shall be made known ahead of time to CALPA and shall not affect the normal pilot earnings of any Air Canada pilot. The detailed implications of this recommendation shall be worked out between the parties, governed by the principles as stated herein.

#### SECTION 28 PROBLEMS

The Board has been made aware of the deep sense of anxiety now felt by the pilots about the relation of Section 28 of the agreement dealing with the filling of assignments to Section 22, which deals with seniority. However, the sense of urgency concerning this matter was not communicated to the Board until toward the end of its hearings. It was not possible, therefore, to have either the pilots of Air Canada make serious representations to the Board on this question, or to have the Company present a reply. Clearly, the issue deserves full and urgent study. The Board therefore recommends that this matter be examined as a question of priority by the parties in their immediate negotiations either with or without the assistance of a mediator. Clearly, any threat to the seniority system goes to the very essence of pilot and union traditions and rightly or wrongly, the pilots believe that the present filling of assignments under Section 28 does threaten the effective application of the seniority rules under Section 22.

#### GENERAL RECOMMENDATIONS

##### *A Joint Fact-Finding Committee*

In the course of its proceedings, the Board discovered several illustrations of conflict between the Association and the Company based on questions of fact, disputes which, perhaps, would never have arisen had the two co-operated in a common fact-finding procedure. A simple illustration of such possible co-operation was the summary prepared for the Board by CALPA and Air Canada, outlining the recent pilot wage settlements in four major U.S. airlines. Both the negotiating process, the conciliation process and future arbitration proceedings, as well as general harmony between the parties, would be greatly facilitated by the development of a standing joint committee on fact-finding, touching on all issues of fact in controversy, actual or potential, between the Association and the Company.

##### *Continuous Consultations*

In so technical a relationship, and with so short a period as two years for the collective agreement the Board believes that the interests of the parties will best be served if they could establish a kind of

continuity in dialogue that would anticipate difficult issues long before they come to a crisis point. The technique of continuing consultation is becoming increasingly a feature of industrial relations in Canada and elsewhere.

#### *A Permanent Arbitrator*

The Board believes that the technical nature of the industry makes it desirable that those called in to settle disputes within the industry develop a systematic understanding of its problems. The Board recommends therefore that the parties consider the desirability and feasibility of appointing an impartial chairman for the parties, possibly in co-operation with other airlines in Canada, perhaps for the industry as a whole. His duties on a part-time basis would be to act as the permanent arbitrator in all disputes involving the interpretation of existing agreements. Possibly he could become a valuable mechanism to assist in dealing with disputes involving new wage patterns and working conditions.

#### *The Appointment of a Mediator for the Unresolved Issues in the Present Dispute*

The Board recommends, and the parties seem to welcome the idea that the Minister shall appoint a mediator to deal with all other matters raised by the parties, particularly by CALPA, and not disposed of in the foregoing detailed recommendations. In particular, the mediator would address himself to assisting the parties to settle the final language of the agreement on "wet leases"; the anxieties concerning filling assignments under Section 28; the Board's suggestions with respect to certain minor wage matters and working conditions referred to above; supervisory flying; training and relocation pay; new equipment; loss of bid status (furlough and severance); miscellaneous (with particular reference to drafting); miscellaneous (with particular reference to average salary and related guarantees); missing and intemment benefits; any other matters in dispute.

It is the Board's opinion that the mediator be appointed by the Minister at the request of the parties as quickly as possible and that he be chosen from among the most experienced of Canadian personnel familiar with the airline industry if possible and, of course, the mediation process. The mediator should complete his assignment by September 30, 1968.

### GENERAL CONCLUSIONS AND OBSERVATIONS

This Report is not unanimous. Indeed, it is primarily the Chairman's Report, but the Chairman has had the benefit of the views and experience of his colleagues, Messrs. Smeal and Sparks and, in particular, the advantage of having Mr. Sparks available for consultation in the drafting of the report. Mr. Sparks' Minority Report on those few matters in which he differs with the Board's Report is appended.

Mr. Smeal regrettably was not available for the important final stages of consultation prior to the drafting of the report. He has not read the report or assisted the Chairman with those comments which such a reading would have provided. He has, instead, written his own minority report, completed before the Chairman had begun to prepare his own draft. This procedure has deprived the Board of the advantage of emerging with a collective

view, perhaps even unanimity, on many of the points raised in the Board's report. Mr. Smeal felt obliged to meet other commitments during the final stages of the Board's work and his minority report, therefore, should be read as a document which was written before there was any consultation between him and the two other members of the Board.

Boards of Conciliation in dealing with Crown Corporations often find themselves in the odd or awkward position of not being certain whether those representing the company are speaking with their own voice or that of some federal government official explicitly or implicitly guiding the Company's presentation and responses. While it is unreasonable to expect the Government of Canada not to be interested in wage settlements by its own Crown Corporations, it may also be unwise to have departments or officials interrupt the delicate mediating and conciliating processes that often are characteristic of a conscientious Board of Conciliation. In the present instance, the Chairman has the impression, however, that Air Canada operated with much freedom from any such pressures and the Board appreciates the candour and flexibility demonstrated by the Company.

At the same time unions often negotiate through leaders whose mandate may be either limited by their constitution or by the internal political situation within the union itself. The Board was aware of the limited mandate held by the negotiating committee and the restiveness among some of the rank and file that marked the background against which the CALPA Negotiating Committee made its representations to the Board. Under these very difficult circumstances, the CALPA Committee nevertheless made able, serious efforts to present its case as if its internal problems were not fatal to its ability to state a position and to accept a possible Board recommendation. Indeed, the Chairman took the extraordinary step of visiting the management executive committee of the Association to explain the Board's procedures, the time-table of its work and its general approach to its program with the hope that such an explanation would reduce the misunderstandings and tensions that were clearly interfering with the possible effectiveness of the Association's own negotiating committee.

Hence it may be said that the Board was dealing with parties that had actual or possible constraints of a special kind affecting their presentations and responses. Such a situation of course may not be conducive to the conciliation efforts that Boards are expected to undertake directly or indirectly in the course of their work.

Finally, a comment is necessary on the whole problem of wage determination and recommendation by Boards. There are really very few objective criteria to assist Boards to find some appropriate figure. Wage determination represents a complex mixture of elements flowing from the condition of the economy as a whole; the demand for, and supply of, labour, and particularly the special skills involved; the special condition of the industry; the actual condition of the firm; and all these as well as other factors feed into and influence the bargaining process which is supposed to yield, in a free enterprise economy, something amounting to the going rate for labours' value at that time and place and for that service. And yet despite this complex of factors one overriding objective must also be a sense of "fairness", some concept of "fair shares" fitted into the



broader vision of a "just society". Yet that society today pays rewards for industrial services widely differing in magnitudes and the present case was a good example of a bargaining unit conditioned to prosperous standards of living and bargaining accordingly within that tradition. But this is the name of the game. The "going rate" becomes really whatever the collective bargaining "traffic will bear", limited only by the general condition of the economy, of the firm, of the region and perhaps too, the state of public opinion.

The task of Conciliation Boards in making wage recommendations is therefore often both oversimplified and intrinsically complex. Oversimplification derives from being guided by comparative settlements and some emerging national standards as well as the limits at either end imposed already by the bargaining parties. Complexity is reflected in the Board's awareness of the network of elements that truly enter into the social and economic reasons for a given wage level for an industry or a bargaining unit. Somehow between complexity and simplicity every Board must find its way to salvation.

(Sgd.) Maxwell Cohen,  
Chairman

August 5, 1968.

#### PERSONAL ADDENDUM BY CHAIRMAN

The Chairman cannot refrain from commenting personally on the composition of Boards of Conciliation where one or more of the nominees (not including the Chairman) may have had too intimate a relationship with one of the parties in the past or at the present time. While experience with the industry concerned is valuable, it is no substitute for impartiality. And where Board Members are continuing to have other bargaining, corporate, or personal dealings with the parties there is no doubt that a conflict of interest may be present, psychologically, and may arise, indirectly, in fact.

The status of the Board of Conciliation procedures in Canada is now under review by the Task Force under Dean H.D. Woods. For some time the Conciliation Board mechanism has been under considerable criticism not merely because of these occasional problems of composition but perhaps even more because its reports may not be taken too seriously by those parties determined to overcome the last legal hurdle to a strike vote. In any case, even if a report properly leads to a further stage in the collective bargaining process one side may feel the Board's recommendations have given an advantage to the other side which did not exist before the Board completed its report. Nevertheless there is sufficient evidence that Boards of Conciliation have served many situations effectively and this experience should not entirely be forgotten as criticism finds its way toward new procedures.

#### SUMMARY OF BOARD'S RECOMMENDATIONS\*

*The Board believed it would be helpful to summarize all of its recommendations but these do not replace the recommendations as stated formally in the Report itself and to which reference should be made in each instance.*

#### Main Wages Claims

The Board recommends that for all pilots presently on formula pay, there be an increase of 16.5% spread over the two-year Contract period mentioned in the Report, with 8.5% in the first year (retroactive to April 1, 1968) and 8% in the second year added thereto, the Agreement to date from June 1, 1968. (See Mr. Sparks separate opinion).

#### Overseas Differential

The Board recommends no change in the present overseas differential but that with the phasing out of navigators and greater pilot responsibility, some new wage scale should be studied and contemplated.

#### Formula Pay for Second-Year Men

The Board recommends no changes here on the assumption that a Company increase in their flat pay rate, over two years, is contemplated by the Company.

#### First-Year Pilots' Wages

The Board recommends that the Company proceed with its proposals to increase the first-year pilots' pay as described in this report and based on the Company's April proposals.

#### Monthly Guarantee

The Board does not recommend any increase in the monthly guarantee but proposes that the Company and the Association review the position of the most junior men who seem to have difficulty breaking through, beyond the 67-hour minimum.

#### Trip Hour Guarantee

The Board recommends that the pilots and Company study this problem together.

#### Duty Hour Guarantee

The Board recommends no change in the ratio of one hour flying pay for every two hours on duty but suggests that the Company and the Association re-examine the fairness of the minimum daily guarantee of three hours, with a view to some appropriate increase where necessary.

#### Silent Hours

The Silent Hour period shall run from 11.00 p.m. to 5.00 a.m. subject to further studies as recommended below.

#### On the Go Time

The Board recommends that a joint fact-finding study be made to determine the stress-medical-physiological consequences of 18 hours "on the go" as a matter of Company discretion, or 20 hours, when the last two hours are voluntarily assumed by the pilot. The Board recommends that serious consideration be given in such a study to the efficiency and safety implications of such hours.

#### Short Turn Around

The Board recommends a minimum nine hours in Airport hotels or a possible flat 10-hour lay-over period to apply wherever hotels may be, subject to Association co-operation in helping keep Company costs down and maintaining efficient scheduling, through joint study of the matter.

#### Meal Allowance

The Board recommends an increase of the meal allowance from \$7 to \$9.50 per day. (See Mr. Sparks, separate opinion).

\* Representing the concurrence of Mr. H. McD. Sparks, except when his dissent is indicated.

#### *Uniform Allowance*

The Board recommends no change in the present uniform allowance practices.

#### *Transportation to and from Airport*

The Board recommends no change in the present practice in respect to pilots at home base.

#### *Grievance Procedures*

The Board recommends that Grievance Procedures be provided for in accordance with Section 19(1) of *The Industrial Disputes Investigation Act*.

#### *Operational Safety*

The Board recommends that the Company and the Association develop machinery for appeals by any pilot suspended or grounded by the Company, for reasons of operational safety, and after all the grievance procedures have been exhausted. The Board does not recommend that "operational safety" be left to an outside arbitrator at this time.

#### *Wet Leasing*

The Board recommends that the Company follow the policy of leasing aircraft with the lessor's pilots only if there is no other contractual or urgency alternative; that the arrangements be temporary; that CALPA be notified about such arrangements ahead of time; and that such leases shall not affect normal pilot earnings of any Air Canada pilot.

#### *Section 28 Problems*

The Board urges the Company and the Association to treat this matter as one of urgency and concern to the Association in order to reconcile Filling of Assignments with the protection of pilot seniority — the matter to be dealt with as early as possible with or without the assistance of a Mediator.

#### *Joint Fact-Finding Committee*

The Board recommends that the Association and Company establish a joint Fact-Finding Committee to deal with matters of fact which do or could give rise to disputes because of differences in the findings of fact. This recommendation should apply to such recommendations already made above in the matter of studies with regard to medical-stress-physiological facts on flight, length of time on duty, etc.

#### *Continuous Consultations*

The Board recommends that the parties develop machinery for continuous consultation so as to avoid as far as possible questions of importance being raised close to the terminal date of the Agreement and causing disputes which might be avoided by techniques of continuing consultation during the life of the Collective Agreement.

#### *Permanent Arbitrator*

The Board recommends that a permanent arbitrator be considered by the parties to be appointed to deal with the interpretation of The Agreement as provided by Section 19(1) of *The Industrial Disputes Investigation Act*. The Board wishes to bring to the attention of the parties the usefulness of such a person who comes to know the technical problems of the industry; the possible use of his services by the entire air transport industry of Canada; and the further possible use of his services in dealing with disputes involving new wage patterns and working conditions.

#### *Appointment of Mediator*

The Board recommends that the Minister of Labour, at the request of the parties, immediately appoint a

Mediator to assist the parties to resolve all other outstanding questions now in dispute and not dealt with by this Report, with his efforts to be completed by September 30, 1968.

#### MINORITY REPORT

by

H. McD. SPARKS

I regret that I am unable to agree with the recommendations of the Chairman with respect to wage increases (in part), and also to the recommended increase in the meal allowance.

#### *Pilot Wages*

There are several factors which must be considered in endeavouring to arrive at an equitable recommendation. Rates which are paid in the United States, and performance comparisons with the total United States air industry, cannot be taken as the sole criteria. While Air Canada and the U.S. airlines do operate the same type of aircraft and, in some instances, over the same routes, there are many variables in the operations which materially affect pilot costs, and therefore negate any comparison between Air Canada and the U.S. air industry as a whole. Further, other airlines fly some of the same routes as Air Canada and pilot wages paid by these carriers are lower than Air Canada. As one example, a comparison of pilot costs per passenger-seat-mile based on two major U.S. airlines performing similar functions to Air Canada indicated that Air Canada costs are virtually the same in 1966 as in 1962, whereas the costs of the two airlines used in comparison have been considerably reduced. Yet pilot wage rates in Air Canada, expressed as a percentage of United States rates, have continued to increase.

Comparison of the total pilot payroll of Air Canada as a percentage of total Company revenue, or total Company operating costs, is not valid, as the operations of Air Canada are affected by many cost items which are not applicable to the total U.S. airlines.

"Formula pay" has provided, and continues to provide, increased compensation during the term of collective agreements for increased productivity, as new and more productive aircraft come into service. This is in addition to other annual or periodic increases in compensation which are negotiated. This must be taken into consideration when making comparisons with current Canadian wage settlement patterns in determining the amounts to be recommended as annual increments.

In view of the above considerations, I recommend wage increases for all pilots on formula pay as follows:

Eight per cent for one year to be effective from the date of signing the new agreement and an additional 6% to be effective one year after such date; the 8% to be retroactive from the date of signing, to April 1, 1968.

The term of the collective agreement to be two years from the date of signing.

#### *Meal Allowance*

I recommend that the meal allowance be increased from \$7 to \$8 per day.

(SGD.) H. McD. SPARKS,  
Member.

August 5, 1968.



## MINORITY REPORT

by  
R. R. SMEAL

The Board was appointed on May 31, and held its initial hearings on June 12, 13, 18 and 19, when the Board granted the Company time to prepare rebuttal. The Board met again on July 23 and 24, to hear the Company's rebuttal to the Association's case and to hear further argument from both sides.

The Association proposals which could be listed under 14 main headings were in the main extremely complex in nature and the Board could not within the time available give proper consideration to some of the major issues separating the parties and no time at all to consideration of those proposals which might be classified as less important.

### Wages

The major part of the hearings was taken up on the matter of pilots' salaries. The Association submitted evidence that at the commencement of negotiations it required a 22.8% increase in order to achieve equality with their counterparts in the United States but since the submission of their original demands new settlements in that country had increased the differential to 28.9%.

Traditionally, the fundamental argument used when comparing Canadian salaries with U.S. salaries is one of comparative productivity. While I believe that other factors must also be taken into consideration in Canadian wage determination, the Association's evidence before the Board is indeed compelling. A comparison of pilot costs shows that Air Canada enjoys a distinct advantage over the average of combined U.S. Domestic and International carriers.

Air Canada Pilot Cost (¢)		U.S. Domestic & International Carriers (¢)	
Per Revenue Passenger Mile	Per Passenger Seat Mile	Per Revenue Passenger Mile	Per Passenger Seat Mile
1955 .421	.294	.568	.359
1965 .253	.165	.481	.265

It is apparent that Air Canada pilot costs as measured by these methods are declining at a much faster rate than similar costs in the U.S. In the 10-year period 1955-1965, pilot cost per revenue passenger mile decreased 40% in Air Canada against the U.S. average of 15% and similarly a decrease of 44% in pilot cost per passenger seat mile against a 26% decrease in the U.S. over the same period.

Another measure of pilot cost is the pilot payroll as a percentage of Company revenue. Air Canada's pilot payroll in 1965 amounted to 3.8% of total operating revenues while the U.S. average was 7.1% (1965 figures were the latest available).

The Association submitted evidence before the Board that one of the contributing factors in lower pilot costs per seat mile was the extremely high utilization of available pilot flying hours. Comparing the blocks for the first six months of 1964 against the corresponding period in 1968, the average flying hour increase was 6.6% while the guaranteed hours decreased by 41.7%.

During the period 1952-1966, Air Canada's pilot productivity (measured as the ratio of ton-miles performed and/or available to revenue hours flown) grew at annual compound rates of 12% (performed) and 12.7% (capacity) while during the same period real earnings per revenue hour flown grew at an annual compound rate of 6.3%.

The Association's wage request would not grant them parity with U.S. pilots as Air Canada pilots fly longer hours than the majority of their U.S. counterparts. The maximum salary comparisons before the Board showed that Air Canada pilots fly a maximum of 85 hours per month with a majority of U.S. pilots at a maximum of 75 hours for an advantage of 13.3% in favour of Air Canada. The 10-hour limitation differential combined with the 28.9% disparity produces a total advantage to Air Canada of 42.2% over major U.S. carriers. It must be apparent that Air Canada's pilot requests will not achieve parity but will merely restore their wage level to a more adequate perspective.

There can be no justification of the large disparity that exists between Air Canada pilots and others possessing equal qualifications and skills. Air Canada pilots operate on identical routes, fly identical aircraft and are subject to identical rules and regulations and performance standards but the comparison ceases in the application of wages and working conditions. I recommend that the request of the Association on the matter of wages be met in full, including the requested increase in the overseas differential.

On the matter of the application of formula pay to second year pilots, I cannot agree with the Association's total request as the full impact of formula pay would result in some inequities and in some cases loss of pay. I do recommend that the second year flat pay scale be increased to at least the level enjoyed by U.S. pilots.

### Expenses

I recommend that the present meal allowance be raised to \$10 per day, that the Association's request for car allowance be granted and the Company should pay the full cost of the first uniform.

### Wet Leasing

I recommend that a clause be inserted in the collective agreement allowing the Company to wet-lease only under emergency conditions and that no pilot qualified on the aircraft type should suffer loss of either actual or potential pay, both provisions being subject to grievance procedure.

### Filling Assignments

This is an involved matter and there was not sufficient time for the Board to give a complete hearing to all sides of the question. I do believe, however, that the Company should adhere to the seniority principles contained in Section 22 of the agreement and that there be further discussions between the parties on this subject.

### Hours of Service

There was evidence before the Board that Air Canada pilots did not enjoy equality in either working conditions or hours of service.

I would recommend that the Association's request for a 1-in-3 clause be included in the collective agreement and that the minimum daily guarantee be increased to 4 hours, 15 minutes.

I further suggest that the silent hour limitations be extended and to include all hours between 2200 and 0600.

#### *Minimum Guarantee*

I am of the opinion that the minimum monthly guarantee should be increased to 70 hours.

#### *Grievance Procedure*

The present grievance procedure precludes the arbitration of matters classified by the Company as pertaining to "operational safety". A pilot discharged or disciplined and appealing under this section, is unable to obtain a full and impartial hearing and as the Company was unable to advance any industry practice in this regard, I believe that the grievance procedure

should be amended to give any pilot the right to a hearing before an impartial third party.

As stated previously, the Board had insufficient time to give consideration to a number of Association requests. These include supervisory flying, training and relocation pay, average salary and guarantees, furlough and severance provisions, drafting, crew complement on new equipment and missing and internment benefits. It is my opinion that because of the complex nature of many of these issues they should be solved by the parties themselves in further negotiations.

(Sgd.) R. R. SMEAL,  
Member.

July 26, 1968.

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### Report of Board of Conciliation and Investigation established to deal with dispute between

Canadian Pacific Railway Company

and

Brotherhood of Locomotive Firemen and Enginemen

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Judge René Lippé of Montreal was the chairman of the board while Maurice W. Wright, Q.C., Ottawa, was the member nominated by the Brotherhood of Locomotive Firemen and Enginemen and R.V. Hicks, Q.C., Toronto, the member nominated by the Canadian Pacific Railway Company. The report of the chairman and Mr. Wright was received by the Minister in June and constitutes the report of the Board. A minority report was made by Mr. Hicks.

Another conciliation board, with Judge Lippé as chairman and Messrs. Wright and Hicks as union and company nominees respectively, dealt with the similar issues in dispute between the Canadian National Railway Company and the Brotherhood of Locomotive Firemen and Enginemen. The report of that board was published in CONCILIATION BOARD REPORTS, No. 2, 1968.

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The employees before this Board represented by the Brotherhood of Locomotive Firemen and Enginemen are covered by two separate collective agreements, namely:

- (a) the collective agreement relating to firemen-helpers and hostlers employed on the Eastern and Atlantic Regions, covering all Canadian Pacific territory east of Fort William; and
- (b) the collective agreement relating to firemen-helpers and hostlers employed on the Prairie and Pacific Regions embracing Fort William and all territory west thereof.

The two collective agreements referred to above expired on June 30, 1967.

The Brotherhood made a number of proposals to the Company and these issues are now before this Board and are dealt with in this Report.

The Board will deal with the Brotherhood's proposals in the order of their presentation in the Brotherhood's Brief to the Board.

Employees represented before this Board can be grouped into two basic classifications, firemen-helpers employed in road and yard service and hostlers employed in hostling service. According to information given to the Board by the Company, in the year 1966, 3.3 per cent were employed as hostlers and the remainder are classified as firemen-helpers.

Brotherhood's Proposal No. 1: that both collective agreements increase basic rate of pay in all classes of road service by 24% over a three-year period. Current arbitraries, differentials and special allowances to be increased accordingly. Yard, hostling and hourly rates to be increased by 24% July 1, 1967.

It is to be noted that the Company has settled with its non-operating employees by granting a 24% increase spread over a period of three years. Before the Board, the Company has offered to the firemen-helpers an increase of 7% over a period of three years on the basis that, on the one hand, these employees are redundant and on the other hand they are overpaid. The fact that the services of the firemen are not required on diesel locomotives in either freight or yard service has been made clear both by the Kellock Commission in 1957 and the Montpetit Board in 1959, and the Brotherhood itself no longer disputes this finding. The fireman's traditional role has been fundamentally changed.

The Company presented evidence of earnings of firemen-helpers and hostlers with a view to establishing that the earnings of the firemen were not inadequate. It was alleged by the Company that in 1966 46.5% of the firemen-helpers earned \$7,000. The Board must point out that earnings figures include overtime and that this is a factor which must be taken into account.



The Brotherhood has submitted that following the Kellock Commission Report an agreement was signed between the Brotherhood and the Company which guaranteed certain conditions to firemen with a seniority date prior to April 1, 1956. The Brotherhood states that it was entitled, in view of all of the circumstances surrounding the agreement, to assume that the firemen-helpers employed by the Company would not be placed in a position where their wage structure would deteriorate in relation to the wage structures of other railway employees or, for that matter, the wages of employees in outside industry. The Brotherhood has pointed out that many of the firemen-helpers are qualified locomotive engineers who work a portion of their time as such under the prevailing rates of pay applicable to locomotive engineers. It is against this background that the Board must make its recommendations.

The Board has been impressed by the fact that the parties have reached settlement in 1961 and again in 1964 when a differential was agreed upon by both parties in connection with the firemen-helpers. In 1961, the Company settled for a 6½% increase to all its non-operating Unions. The Company and the Brotherhood in the same year settled their differences by giving the same increase, 6½%, to firemen-helpers on passenger trains and in hostler service, and by giving a 4% increase to firemen-helpers in freight and yard service.

The same differential was agreed upon in 1964 when again the Company consented to pay firemen-helpers and hostlers the same increase of 6½% as was granted to its non-operating employees, and by giving the firemen-helpers in yard and freight service an increase of 4%.

The Board knows of no better recommendation than the differential agreed upon between the parties in their 1961 and 1964 agreements, and it hardly understands the reasons put forward by the Company not to grant in 1967 and 1968 the same differentials agreed upon in 1961 and 1964 as the reasons and the facts submitted by the Company before this Board existed in 1961 and 1964.

The Board, therefore, recommends a 24% increase in basic rates of pay for firemen-helpers on passenger trains and for hostlers, and a 15% increase in basic rates of pay for firemen-helpers in freight and yard service, such increases to be applied over the rates in effect on June 30, 1967, the termination date of the last collective agreement. The Board further recommends that the increase be implemented in five steps in a manner consistent with the method of implementation for all of the other railway employees, both operating and non-operating employees. Specifically, the Board recommends that the increase in rates of pay be implemented in the following manner:

*For Firemen-Helpers Employed on  
Passenger Trains and for Hostlers*

- (i) Effective July 1, 1967, an increase of 4% calculated on the basic rates of pay in force at June 30, 1967; and
- (ii) effective January 1, 1968, a further increase of 4% calculated on the basic rates of pay in force at June 30, 1967; and
- (iii) effective July 1, 1968, a further increase of 7% calculated on the basic rates of pay in force at June 30, 1967; and

- (iv) effective January 1, 1969, a further increase of 3% calculated on the basic rates of pay in force at June 30, 1967; and
- (v) effective July 1, 1969, a further increase of 6% calculated on the basic rates of pay in force at June 30, 1967.

*For Firemen-Helpers Employed in  
Freight and Yard Service*

- (i) Effective July 1, 1967, an increase of 2.5% calculated on the basic rates of pay in force at June 30, 1967; and
- (ii) effective January 1, 1968, a further increase of 2.5% calculated on the basic rates of pay in force at June 30, 1967; and
- (iii) effective July 1, 1968, a further increase of 4.5% calculated on the basic rates of pay in force at June 30, 1967; and
- (iv) effective January 1, 1969, a further increase of 1.8% calculated on the basic rates of pay in force at June 30, 1967; and
- (v) effective July 1, 1969, a further increase of 3.7% calculated on the basic rates of pay in force at June 30, 1967.

Brotherhood Proposals No. 2: that both collective agreements:

- (a) Reinstate unit method of payment in road service with proviso for premium rate of \$1.00 for each unit in consist of 3,000 h.p. or more.
- (b) Delete minimum rates (passenger and freight) and substitute therefor lowest rates in revised scales.

The Board is unable to concur in the Brotherhood's proposals. The subject matter of these particular proposals were mediated between the parties in 1961 and re-affirmed in 1964. No compelling reasons have been shown to warrant a departure from the standards which have heretofore been followed and the requested proposals are therefore rejected.

*Brotherhood Proposals No. 5 and No. 7, Deadheading:  
Eastern and Atlantic Regions*

Delete the provisions of Article 5 (b) (1) and substitute therefor the provisions contained in the Brotherhood of Locomotive Engineers' Atlantic and Eastern Regions' Collective Agreement, Article 5 (b).

*Prairie and Pacific Regions*

Delete the provisions of Article 5 (b) (1) and (4) and substitute therefor Article 5 (b) in its entirety from Prairie and Pacific Regions' Brotherhood of Locomotive Engineers' Schedule.

The Board is of the opinion that the evidence does not justify the Board in recommending the adoption of the Brotherhood's proposal.

Brotherhood Proposals No. 8 and No. 10: To provide remuneration for picking up and setting out of diesel units enroute.

The Brotherhood advised the Board that it was withdrawing this proposal.

Brotherhood Proposals No. 9 and No. 11: To provide remuneration for deadheading and living expenses when men are forced to another terminal to cover essential service.

The Brotherhood is requesting a new rule to provide that firemen-helpers required to live away from

their home terminal to protect essential service be furnished lodging and a reasonable living allowance.

Furthermore, the proposal of the Brotherhood contains a request that firemen-helpers be paid for dead-heading between the terminal where their homes are located and any terminal where they may be required to protect essential service of the Company.

Besides being a request in the nature of a monetary demand, the evidence has shown that by its proposal the Brotherhood is seeking a concession which does not pertain to any running trades employees be they engineers, trainmen or firemen.

For these reasons and particularly the latter, the Board cannot recommend the acceptance of the Brotherhood's proposal.

Brotherhood Proposals No. 10 and No. 12: To provide differential of \$1 above freight rates for local or way-freight service.

This proposal was withdrawn by the Brotherhood before the Board.

Brotherhood Proposals No. 11 and No. 13: Revise work train service rule to provide for payment on basis of time or miles. When time exceeds the miles time and one-half rate to apply.

The Brotherhood contends that the application of the current rule leads to abuses. The Company, on the other hand, points to the fact that the rule currently in effect for firemen-helpers is identical to that applicable to engineers. The Board feels that it cannot at this time recommend adoption of the Brotherhood's proposal. Brotherhood Proposals No. 12 and No. 14: To provide that work train service includes wire trains, wreck trains, loading and unloading supplies and/or scrap.

The facts as submitted by the parties are in basic contradiction to each other. Regrettably, in the time available, the Board has been unable to reconcile the contradiction and is, therefore, unable to make any recommendation on this proposal.

Brotherhood Proposals No. 13 and No. 15: To provide that road firemen will be paid for work or wreck train service enroute when time occupied is one hour or more, and time so paid will not be deducted in computing over-time.

Although the Board cannot, and does not, make any recommendation herein, the Board urges that the parties negotiate their differences. In the facilities which were available to the Board, the Board does not feel that it has enough material before it to enable it to make any recommendation.

Brotherhood Proposals No. 30 and No. 32: To provide for the inauguration of a locomotive enginemen's apprentice program.

The Board regrets that it cannot make any recommendation in this matter not because it disagrees with the position taken by the Brotherhood but because it does not consider itself qualified in the circumstances to make a recommendation of such a basic issue. It is obvious that the issue involved in the Brotherhood's proposal is basic to the employees in the sense that if an apprentice program, as requested, is implemented, the employees will have some reasonable expectation of performing useful service for the Company and of improving their own lot. Equally, it is obvious that enlightened self-interest by the Company would suggest

that steps be taken to inaugurate a workable locomotive enginemen's apprentice program. The Board points out, however, that the parties should avoid any possibilities of jurisdictional disputes and for that purpose such discussions should also encompass the Brotherhood of Locomotive Engineers. This Board has the power only to recommend to the parties before this Board and to the Brotherhood of Locomotive Engineers that they recognize the nature of the problem involved and make every effort to resolve this problem for the future.

Brotherhood Proposals No. 6 and No. 8, Attending Court: Delete the provisions of Article 5, clause (e), Eastern and Atlantic Regions' Collective Agreement and provisions of the same article and clause of the Prairie and Pacific Regions' Collective Agreement and substitute therefor the following:

Article 5 (e)

(1) Fireman (Helper) who is in regularly assigned service or set up in pool service and is called as witness in court or before a coroner's court in case in which the Company is concerned or where Company property is involved whether or not the call as witness is communicated through the Company, will be compensated to the extent of wages which he would have earned, except for his absence as a result of such call.

(2) Fireman (Helper) who is on spare board and is called as witness in court or before a coroner's court in a case in which the Company is concerned or where Company property is involved, whether or not the call as witness is communicated through the Company, will be compensated if time lost, to the extent of eight hours per day of 24 hours.

(3) Fireman (Helper) called upon to testify at inquest, make statements to or associated with claim agents, giving dispositions to Company attorneys on their own time or attend court at their home stations, on lay-over days, without lost time, will be paid for all time thus consumed at one-eighth of the minimum daily rate, with a minimum of three hours for each appearance. If called away from home station on lay-over day and no time lost, a minimum day will be allowed.

(4) Actual reasonable expenses including automobile will be allowed.

(5) Court witness fees and mileage will be assigned to the Company.

The Brotherhood contends that when any of the persons whom they represent attend court in the circumstances set forth in their proposal they should be paid in the manner set forth in the revised Rule which the Brotherhood requests. This is opposed by the Company which sees no reason for acceding to the Brotherhood's request.

It will be noted that the payment requested by the Brotherhood relates to circumstances which arise out of service for the Company. This Board recommends to the parties that they negotiate this matter in order to attain a situation where employees will be compensated when at the request of the Company

- (a) they appear as a witness in any court; and
- (b) they are called to testify at inquests or make statements to or associated with claim agents.

The Board's thinking is that an employee should not be required to contribute of his own time and at his own expense when he is called upon in the foregoing cir-



cumstances to attend to testify or to make statements. Brotherhood Proposals No. 22 and No. 25: Protection for firemen held for service as engineer. This Board does not recommend the adoption of the rule requested.

Montreal, June 12, 1968.

(Sgd.) René Lippé,  
*Chairman*

(Sgd.) Maurice W. Wright,  
*Member*

#### REPORT OF R.V. HICKS, Q.C.

I have had an opportunity of considering the Chairman's Report in this matter and respectfully disagree with the Recommendation on the wage issue.

In seeking support for its wage proposal, the Brotherhood relied heavily upon the increase of 24% granted to the non-operating employees of the Company over the term of their current 3-year Agreement. In ordinary circumstances such a consideration might be pertinent in the determination of an appropriate wage adjustment. However, we are concerned here with an abnormal, indeed virtually unique, situation. For the past ten years the freight and yard firemen representing some 90% of the employees involved have occupied redundant positions. Their continued employment by the Company flows out of a settlement arrived at between the Company and the Brotherhood pursuant to the Report of the Kellock Royal Commission in 1957 which recommended the abolition of this classification by the process of attrition. As a result of attrition, the number of firemen in the employ of the Railway has been reduced gradually from approximately 2,926 to 1,300 since 1956.

There is, therefore, no issue between the Company and the Brotherhood on whether such personnel do not perform any useful or productive service for the Company. Having regard to these somewhat singular circumstances, with respect I fail to comprehend the rationale of a recommendation for a substantial wage increase for non-productive personnel which is equivalent to that effective for employees who are productively occupied.

It was contended on behalf of the Brotherhood that implicit in the settlement of the redundancy issue in 1958 was the concept that the employees would retain their relative economic standing with respect to other employees of the Company. I can find no basis for this in fact. In any event, consistent with the attitude of trade unions generally, the Brotherhood would undoubtedly be the first to deny that collectively bargained arrangements are static in nature. Furthermore it has been the consistent practice of conciliation boards to consider all of the pertinent current circumstances unless the parties have otherwise formally committed themselves to the status quo, which is not the case here.

Accordingly, it is material to examine the wage issue on the basis of criteria which are customarily applied as wage determinants.

A comparison of the earnings of the firemen with those employed in other industries, as well as others employed in the railway operations of the Company, is most revealing.

The combined average annual earnings of the firemen in 1966 (being the last calendar year prior to expiry of the agreement) amounted to \$6,539 and their total average compensation (inclusive of fringe benefits, amounted to \$7,434 per employee. By way of contrast, the corresponding figures for employees engaged in manufacturing industries throughout Canada were \$4,985 and \$5,182 respectively. In simple terms, the average total compensation for non-productive firemen is over 43% greater than the average of that of employees productively engaged in manufacturing industries.

The composite average hourly earnings of firemen for 1966 amounted to \$2.90 in comparison with \$2.25 for employees in all Manufacturing; \$2.43 per hour for those engaged in durable goods industries; and \$2.06 in non-durables (Dominion Bureau of Statistics). Before applying any increase, the firemen's average earnings of \$2.90 substantially exceed the current average of \$2.50 for all Manufacturing. (Dominion Bureau of Statistics - February 1968).

Even more compelling is the relationship already existing between the Company's firemen and those of its other employees who are performing a service. In comparison with the composite average hourly earnings of \$2.90 received by firemen, the average hourly earnings of the Company's non-operating employees amounted to \$2.34, or an advantage to the firemen of approximately 24%.

Equally relevant is the relationship prevailing between the passenger firemen and the passenger brakemen and passenger conductors. It should be understood that prior to the introduction of the diesel locomotives, passenger firemen were primarily, manual labourers whose principal function was the shovelling of coal into the firebox of the boiler, which required a fairly high degree of physical application. The wage rate was accordingly related to the physical requirements of the work which gradually has disappeared with the advent of dieselization.

On the other hand, passenger brakemen are actively engaged in their employment functions and under the Uniform Code of Operating Rules prescribed by the Board of Transport Commissioners trains are run under the direction of the conductors.

Despite the obverse nature of their responsibilities, the average hourly earnings of passenger firemen for 1966 amounting to \$4.38 exceeded those of trainmen by 88¢ per hour and those of conductors by 46¢ per hour; in other words, the average hourly earnings of passenger firemen were over 25% greater than those of passenger brakemen and over 11% higher than passenger conductors.

While a further illustration of the disparate relationship between the firemen and other railway employees of the Company may appear superfluous, reference should also be made to their relationship to yard engineers. Despite the fact that the line of promotion for a passenger fireman is normally to the classification of yard engineer, the average hourly earnings of the yard enginemen amount to \$2.79 (for 1966) in comparison with those of \$4.38 per hour for passenger firemen. It is self-apparent that the duties, physical input and responsibilities of yard engineers are far in

excess of those of the passenger firemen, yet the majority Recommendation would enlarge the differential which is already inversely distorted by more than 35% by a further 24%.

On the basis of the foregoing it is manifestly clear that the firemen presently enjoy a standard of earnings which is comparatively high in relation to employees engaged in either the operating or non-operating divisions of the Company. The relatively gross differential favourable to the firemen refutes any innuendo of exploitation by the Company, despite their redundancy or any contention that their living standards are jeopardized.

The real issue to be determined, as I see it is what rate of adjustment would be equitable as between the firemen and other employees of the Company in the face of the irreconcilable anomalies in their respective earnings, coupled with the extremely disproportionate nature of their contribution in labour to the productivity of the Company.

The Company's offer was made in recognition of expected rising living costs throughout the term of the agreement. To grant any greater increase than that contemplated by the Company's offer would unjustifiably perpetuate, if not aggravate, the anachronistic wage inequities vis-a-vis other productive employees of the Company.

Accordingly, it is my recommendation that the Company's offer providing for a total increase of 7%

throughout the term of the new agreement should be adopted.

Apart from the wage issue, I also find it necessary to register disagreement with the Chairman's Recommendation concerning Brotherhood's Proposals No. 6 (Eastern and Atlantic Regions) and No. 8 (Prairie and Pacific Regions) which suggests that firemen will be compensated when called by the Company to appear as a witness in court, to testify at an inquest or to make statements to or associated with claims agents, even when the fireman does not lose any wages as a result thereof.

Present practice in respect of such situations is that the Company reimburses employees for wages lost on this account and also honours reasonable out-of-pocket expenses. However, payment of wages under circumstances where no wages are lost would represent a premium for the fireman classification which is not applicable to any other railway employees. It is primarily on this basis that the Chairman has denied Brotherhood Proposals No. 9 (Eastern and Atlantic Regions) and No. 11 (Prairie and Pacific Regions) and Brotherhood Proposals No. 11 (Eastern and Atlantic Regions) and No. 13 (Prairie and Pacific Regions) and there is no apparent reason why the same reasoning should not apply here.

(Sgd.) R.V. HICKS,  
Member

June 13, 1968.

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Report of Board of Conciliation and Investigation established to deal with dispute between

Rio Algom Mines, Elliott Lake, Ont.

and

United Steelworkers of America

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T.C. O'Connor of Toronto was the chairman of the board and David Churchill-Smith, Toronto, and Drummond Wren, Agincourt, were members nominated by the company and union respectively. The majority report, which under The Industrial Relations and Disputes Investigation Act, is the report of the Board was made by the chairman and Mr. Churchill-Smith to the Minister of Labour August 2, 1968. Mr. Wren did not concur with the majority report but was unable to submit a minority report because he was travelling abroad.

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Mr. K. Hulse was appointed conciliation officer in this dispute and held meetings on May 14 and 15. However, a settlement was not achieved at this stage and Mr. Hulse recommended the establishment of a Board of Conciliation.

The majority of the non-monetary items in dispute have been disposed of. The key items remaining are the direct wage adjustments, pension plan, and vacations with pay.

With respect to wages, on April 10 the company made its initial wage proposal, being general wage increases each in terms of a percentage of the current weighted average hourly rate of \$2.83. The first year would average a 12¢ increase, (maximum 14¢, minimum

10¢) the second year 5¢ (maximum 6¢, minimum 4¢), and the third year 10¢ (maximum 12¢, minimum 9¢). In addition, the 5¢ per hour contribution to the retirement savings plan would be added to wages on January 1, 1969. Subsequently, the company revised its wage offer on the basis of a 2½-year instead of a 3-year agreement; the 10¢ average increase was offered for the final six months of the agreement, plus a further average of 2¢ for the first year of the agreement (new total 14¢). Thus the aggregate wage offer over 2½ years averages 34¢ per hour with a maximum of 39¢, a minimum of 30¢.

The union initially asked for 25% general wage increase for the first year of a two-year agreement, 12.5% the second year. Then the union, through the



conciliation officer, conveyed to the company a vague counter-proposal for the first year wage increase, estimated to average some 40-50¢ per hour, and involving extensive reclassification of the present job classification structure.

The company proposed an outline of a pension plan which would provide  $\frac{3}{4}$  of 1% of each year's future earnings up to the Canada Pension Plan maximum contributory level (currently \$5,100 annually) and  $1\frac{1}{2}\%$  of each year's future earnings in excess of the Canada Pension Plan maximum contributory level. The employee would contribute 4% on all pay less his required contribution to the Canada Pension Plan (currently \$81 yearly on \$5,100 or more of annual earnings).

The area of dispute is not in the future service provisions of the plan, but in the past service. The union insists that the plan be established on a basis of full contribution for past service, but the plan, as outlined by the company, does not make this provision.

With respect to vacations, the union's original proposal for vacations with pay is 5 weeks after 10 years' service, 4 weeks after 5 years' service and 3 weeks after 2 years' service. However, the area of dispute appears to be a provision to establish 3 weeks' vacation after 5 years of service.

With respect to wages, the Board was advised that rates paid in International Nickel were substantially higher than those at the Rio Algom Mines and

that it was the union's intention in this set of negotiations to negotiate rates at Rio Algom that would equal those of International Nickel. During the negotiations a modified position in this area was developed and the Chairman was of the view that the Union would consider a wage proposal which would provide rates of pay comparable to (and in certain classifications better than) the International Nickel rates during the second year of a 2-year agreement.

Exploratory talks were held in this area, but they proved to be unsuccessful. While the International Nickel rates are of concern to the parties, they must at the same time give consideration to general wage settlements and other mining industries and in the community as a whole. Both the company and the union have knowledge of the percentage adjustments which have been provided since January 1, 1968, and it would seem that if these settlements were taken into consideration, together with the rates of pay at International Nickel, a wage adjustment formula can be developed.

(Sgd.) THOMAS C.O'CONNOR,  
*Chairman*

DAVID CHURCHILL-SMITH,  
*Member*

Toronto, August 2, 1968.

CANADA LABOUR RELATIONS BOARD

Reasons for Judgment in Application for Certification

Affecting Syndicat général du cinéma et de la télévision (CSN)	(Applicant)
and	
Canadian Broadcasting Corporation	(Respondent)
and	
Canadian Wire Service Guild, local 213,	
American Newspaper Guild (hereinafter called the Guild),	
and	
Association of Radio and Television Employees of Canada	(Intervener No. 1)
and	
Canadian Union of Public Employees	(Intervener No. 2)

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The Board consisted of Mr. A.H. Brown, Chairman, and Messrs. E.R. Complin, J.A. D'Aoust, Jacques Guilbault, A.J. Hills and G. Picard, members.

The Judgment of the Board was delivered by the Chairman.

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The Applicant applies to be certified as bargaining agent for a unit of employees of the Respondent consisting of all employees presently represented by the Guild and performing their duties at Montreal and Quebec City comprising the incumbents of the following positions: national assignments editor, editor in charge, editors, reporters, parliamentary correspondents, copy clerks working in the news broadcast service.

In terms of the present classifications of employees in the news broadcast service of the Respondent the unit of employees which the Applicant desires to represent as bargaining agent consists of editor A, editor B, editor C, National Assignments editor, camera editor, editorial assistant, reporter A, reporter B, copy clerk D1, copy clerk D, excluding the immediate supervisors of the employees in this proposed unit namely producer, senior producer, supervising editor, editor in charge.

The Guild is the certified bargaining agent for a system-wide unit of employees of the Respondent comprised of all employees of the Respondent in its news broadcast service engaged in the collection and preparation of news for broadcast including the employees covered by the present application apart from management personnel. It has been a party to successive collective agreements with the Respondent covering these employees. The last of these collective agreements was entered into in January 1967 for a term retroactive to June 1, 1966, and expiring on May 31, 1968. Negotiations for a new collective agreement have been initiated.

The Guild opposes the application primarily on the ground that the proposed unit is not an appropriate unit for collective bargaining. It submits that the employees therein are part of a long-established system-wide bargaining unit that has been found appropriate for collective bargaining by the Board and that the fragmentation of this unit as proposed would be detrimental to the best interests of the employees in the news

broadcast service and to orderly and stable collective bargaining. It draws attention to the fact that in Reasons for Judgment issued June 13, 1967, on an application for certification made by the Applicant September 12, 1966, covering substantially the same proposed unit of employees of the Respondent (apart from the news broadcast employees in the International Service of the Respondent, who were not included in this previous application) the Board considered this proposed unit to be inappropriate at that time in the light of the evidence and arguments then adduced and advanced. It submits that the reasons given by the Board for its finding and rejection of this earlier application apply with equal force to warrant rejection of the present application.

The Interveners, each of whom is the bargaining agent for a system-wide bargaining unit of other classifications of employees of the Respondent employed in its production and broadcast operations, claim to have an interest in the maintenance of the established system-wide bargaining units of employees of the Respondent and support the submissions of the Guild in opposing the fragmentation of the existing system-wide bargaining unit which the Guild represents.

The Respondent did not intervene on the application and through its representatives at the hearing on the application stated that the Respondent did not wish to make any representations in respect of the application and left it to the Board to reach a decision as to what it thinks is the appropriate bargaining unit.

The Board finds that as of the date of the application there were 87 employees in the proposed unit (including 15 employees in the International News Service), of whom 79 were employed at Montreal and 8 at Quebec City. Of this number of employees in the proposed unit, 55 are members in good standing of the Applicant. These comprise all of the employees of the Respondent in the classifications in the proposed unit at the centres within its Quebec Administrative Division, namely Montreal and Quebec City.



The employees in the Respondent's news broadcast service in the system-wide unit in the classifications represented by the Guild at other newsroom centres in the Respondent's system total some 183 employees, made up as follows:

<u>Centre</u>	<u>No. of employees</u>
St. John's, Nfld. ....	10
Halifax, N.S. ....	9
Moncton, N.B. ....	4
Fredericton, N.B. ....	3
Ottawa, Ont. ....	31
Toronto, Ont. ....	81
Windsor, Ont. ....	3
Winnipeg, Man. ....	16
Edmonton, Alta. ....	7
Calgary, Alta. ....	2
Vancouver, B.C. ....	15
Yellowknife, N.W.T. ....	1
Whitehorse, Y.T. ....	1

No authentic information of the actual membership of the Guild in the proposed unit was available. The Guild's current records appear to be limited for the most part to records of the compulsory check-off payments received on account of the employees in the bargaining unit which it represents, including those in the Applicant's proposed unit, which are checked off by the Respondent under a modified Rand formula compulsory dues check-off provision contained in the most recent collective agreement between the Guild and the Respondent.

The Guild is the Canadian local union representing certain broadcast members of the American Newspaper Guild in its Canadian District. Its structure consists of an executive including a president, secretary and treasurer who operate under the direction of its national council. This council is comprised of a national councillor elected by the members of the local guild unit in each centre where the Guild has six or more members, the three national executive officers, and a representative of the United Press International membership for whom the Guild is also the bargaining agent. There is also a local unit executive of a chairman and secretary elected by the members at each of the centres described above. In Montreal there are an elected national councillor and an assistant national councillor who look after Guild matters at the local level. Meetings of the national council are generally held twice a year. The members of the Guild negotiating committee for the negotiation of new Guild collective agreements with the Respondent are selected by the national council including always someone from the Montreal, Toronto and Ottawa units. The negotiating committee in preparing the Guild contract demands, which are subject to approval of the national council, invites the views and recommendations of the local units for its consideration.

There have been continuing efforts since the early part of 1966 on the part of the Applicant and a group of employees within the Montreal unit to secure recognition of a separate bargaining unit of news broadcast employees at Montreal and at other centres, namely Quebec City and, on one occasion, at Ottawa.

The evidence given at this hearing as it relates to these efforts within the last 18 months is that a slate selected by the Applicant's membership within

the Montreal group of news broadcast employees was selected as the executive of the Guild's Montreal unit in February 1967, defeating a slate nominated by representatives of the Guild to fill the posts of unit president and secretary. Three or four months thereafter one of this elected slate of officers resigned to protest the alleged inactivity of his fellow executives and called for a new election. As a result of this a special new election was then held, during which a new slate of officers nominated by Guild representatives was elected. At the next regular Montreal unit elections held in December 1967, a slate of officers nominated by the members of the Applicant in the Montreal unit of news broadcast employees was elected although opposed by a slate nominated by Guild supporters therein. The slate consisted of D. Vincent as president and R. Pelletier as secretary. Vincent was, at the time, and still is a member and director of the Applicant and claims he has never been a member of the Guild although paying Guild dues under the compulsory check-off provision in the collective agreement between the Guild and the Respondent. Pelletier, at the time of his election, was also a member of the Applicant and claims, similarly, that he has never been a member of the Guild. M. Bourdon, the President of the Applicant, was appointed at a meeting of the Montreal Guild unit in December 1967 as national councillor representative of the Guild's Montreal unit on the Guild national council. He was thereafter appointed by the national council as a member of the Guild negotiating committee designated to negotiate for a new agreement with the Respondent. This appointment was in replacement of G. Frajkor, now the National Secretary of the Guild, who had resigned shortly before as the Montreal national councillor because of lack of support at the meetings of the Guild Montreal unit membership. Bourdon has never been a member of the Guild, although membership in the Guild is a constitutional qualification for the post. In standing for election as national councillor Bourdon made it clear at the time that his mandate was to form a natural unit for CBC newsmen in Quebec. His fellow members of the Applicant elected to the Guild's Montreal executive posts at the same time made similar declarations.

The proposals forwarded by the Guild's Montreal unit executive to the Guild negotiating committee were in fact those formulated by the Applicant's membership in the unit. The most important of these proposals in so far as the Applicant's membership was concerned were proposals relating to salary and reduction of hours of work. At the initial meeting with the Respondent's representatives in April 1968, for discussion of the terms of a new agreement, Bourdon made a statement which he summarized in his evidence as follows:

I started by saying that I did not intend to hide my true colours at the negotiating table, that I was a member and president of another union affiliated with the CNTU and that I had negotiated with the CBC at the negotiating table in March on working conditions for the 40 members of our Union who are certified and that by doing this, whatever may be the legal situation in which we found ourselves, the employer was not faced with a unique situation, that he had in front of him what might be described as a coalition between two distinct unions, and that I held my mandate from people in Quebec who pay dues to the cer-

tified union but who are members of the General Cinema and Television Union. Therefore I considered my mandate as being to defend the interests of these people and only these people. (pp. 19, 20, transcript translation).

The following extracts from, and summaries, of Bourdon's evidence as president of the Applicant serve to indicate his version of the views of the employees he represents in the Montreal news broadcast group in support of the application, viz.:

1. The Guild union structure in the CBC at present is not serving the Montreal news broadcast group adequately and is not in the best place to serve their interests.

2. "We are French speaking and therefore we work in a geographical, economic and cultural milieu which is different and we feel, perhaps wrongly, that we have the right to change our union formula. This is our basic goal because we feel that we will be better served by a union. We have been fighting for this for several years." (pp. 39, 40, transcript translation).

3. On cross examination: "There are other factors. There is the linguistic factor, which might be considered only a minor factor, because in the unit which we wish to represent there are at least 20 to 25 English-speaking employees. We think that they are close to us and that they have problems like ours. . . . I do not want to build a union on a language basis only. The cultural aspect is important here but it is far from being the main goal of the union." (pp. 49, 50, transcript translation).

4. On cross examination as to the reasons for the Applicant's seeking the right to represent the Quebec division employees, " . . . fundamentally it is because we are journalists. We want to get into a union and the present structure does not allow us to practise the sort of unionism which we wish to practice. We have not been prevented from expressing our views in the ANG. It is a question of what basis the decision of the employees should be indicated. We want to change this basis . . . .

"It is in order that the decisions concerning us be taken by ourselves because at the present time they are taken by other people who are far away from us, so far that they do not know our problems. Furthermore, just to give you one example, a meeting of the National Council costs a lot of money, almost one month's dues. We feel that when we have a union made up of the journalists (of the Canadian Broadcasting Corporation in Quebec) that this money could be used for other purposes. It could be used to build a solid union which would be able to open talks with the employer." (pp. 50, 51, 52, transcript translation).

5. Q. "Mr. Bourdon, is it not true that most of the requests were formulated by people from Montreal, and is it not true, also, that most of the proposals submitted by the Montreal people were accepted by the National Council of the ANG."

A. "Except the clauses concerning salaries and concerning working hours. We have not formulated everything that we intend to negotiate on with the employer. Anyway, when the time comes to negotiate we will not accept the rule of the majority decision within the present bargaining committee because we do not accept the basis on which this committee is formed." (p. 53, transcript translation).

The evidence of Mr. Vincent, a member and director of the Syndicat, and also the present president of the Guild's Montreal unit is also indicative of the views of this group according to him, viz.:

Q. "Can you give reasons why you feel this unit, the existing certified unit is impracticable?"

A. "The principal motive of course is geographical. At the present it is impossible for such a union, which I believe has 250 people, to have frequent meetings and to be able to make itself understood. The working conditions are slightly different from one city to another and we should have frequent meetings in order to create a common front when it is a question of negotiating and in order to know what are the problems of the people who belong to the union, and in order to find a solution which might correct certain problems." (p. 81, transcript translation). He then adds that there is provision in the Guild's 1968 budget for two Guild national council meetings in 1968 each of which represents 10 per cent of the Guild's 1968 budget.

Q. "...I take it your principal objection to this system-wide bargaining is the difficulty of getting the members together at meetings. Do you feel it follows from that - for instance you have members of the Guild in Toronto, St. John's, Nfld., and the Maritimes and Ottawa? Do you think that it is only practical to bargain on a regional or local level?"

A. "I think there could be problems in the news service in Montreal and I think the people who work there together could function more easily as a union than people who never see each other and, in order to allow their representatives to meet twice a year, must pay fees that go up to \$15 and even at those prices it is not enough to make an efficient union."

Q. "Let me put it this way. Let us take the Prairie regions, where there are 25 employees. Do you think the only practical way is for them to bargain as a regional group?"

A. "I am not in the Prairies. I am in Montreal and I see the problems from a Montreal point of view." (pp. 82, 83, transcript translation).

One outstanding impression left with us by this evidence was the indifference displayed by these witnesses to the interests of their colleagues in the other news service centres including their critical attitude toward the use of their union dues to finance the costs of the semi-annual meetings of the national council representatives of the newsmen from the several centres to discuss matters of common interest in the labour relations field, while at the same time they were critical of the lack of opportunities for inter-communication between the news centres in the system-wide unit to formulate common policy.

The following extracts from the evidence of G. Frajkor, National Secretary of the Guild, are indicative of the views of the Guild:

Q. "You have a situation apparently in Montreal where over a period of the last two or three years the majority of the employees there seem to be appointing another union, the applicant union. Why does the Canadian Wire Service Guild want to keep these people in the unit in those circumstances when you are having difficulty getting even your own local officers elected?"

A. "I think it is evident that people doing the same work, and we are really doing the same work, should not belong to different unions. The CBC is not



any different from any other employer. It is often playing off one union against another. One of the real problems in the CBC is that there have been too many unions, and having a few more is not going to help any. There is considerable throat-cutting that can go on when there are two separate unions in the same journalistic field." (pp. 116, 117, transcript)

Q. "I do not understand the answer you gave the chairman. Let me put it this way. Why is Local 213 still in Montreal?"

A. "We have employees of the French language in Toronto, Ottawa, Winnipeg and Moncton, the French language. Soon we will have a French language newsroom in Windsor and Vancouver. We already have a union which is working on a national level and which has problems with the English and French networks. We will continue to have these problems with the French network and with the English network even if the administrative division of Quebec is the same.

"I do not believe that separating one division of the CBC is the solution, not for us. We will be weakened by the lack of members and the union which exists in Quebec will be weakened because it will have the same problems with the English as we have now with the French. There is a minority of English in Montreal. There is nobody who speaks the English language in Montreal who signed a CNTU membership card. This will become a racial division and I want to avoid this." (pp. 117, 118, transcript)

Q. "I realize there might be differences of opinion within Local 213 but what strikes me is that this local, forgetting language or religion or race or anything else, does not have its own officers. Just what is the situation with regard to the Guild and this local?"

A. "According to us the Montreal people have not used the Guild. We are ready to listen to their opinions, we are ready to do what we can for them. We have already shown this, I think. It is useless to condemn something when you do not even try. First of all, there is the question of principle. We sincerely believe that it is necessary to have a union against the employer. There are too many unions at the CBC already and to divide it will make it worse. It is much worse to have two unions than it is to have one. Even if this union, perhaps, does not work too well in one little locality, I think the journalists with CBC would do better to remain with the Guild and not to divide themselves.

"As the chairman has said, what are we doing in the rest of Canada? There are 12 people in Edmonton in the newsroom. What are they going to do if we divide the unions like this? The people in the West need us and also the people in the East. We need ourselves; we need each other; we are all journalists and we do the same thing." (pp. 118, 119, transcript).

It is apparent that the Guild's national council has made extraordinary efforts and concessions over the period of the past 18 months or so to endeavour to meet the views and secure the co-operation of the dissident group of employees within the Guild's Montreal unit in the formulation of the Guild's demands and conduct of negotiations for a new collective agreement with the Respondent. In the view of the Board the Guild's officers should be commended for their efforts to secure a consensus of opinion and maintain unity within the established bargaining unit. Although the Applicant has attempted to make a major issue out of

the alleged violations of the Guild's constitution in the acceptance of the appointment of Mr. Bourdon although not a member of the Guild, as a Guild national councillor, the Board is of opinion that this is an internal union issue which is not relevant to the merits of the application.

It is clear, however, that the Applicant has taken over for all practical purposes full control of the direction and activities of the Guild's Montreal unit, which is one of the two major national news broadcast centres in the Respondent's system and the largest in point of numbers of news personnel. It has been able to do so by virtue of the support of a very substantial majority of the employees in the unit. The Guild's national council has been forced to accept and has in fact acquiesced in this situation. The current negotiations carried on on behalf of the news broadcast employees comprising the existing system-wide bargaining unit for a new collective agreement with the Respondent have been carried on openly as a joint negotiation by representatives of the Guild and the Applicant even though carried on pro forma under Guild auspices in compliance with the provisions of *The Industrial Relations and Disputes Investigation Act*.

This existing situation is not a matter of sudden development but is rather one that has developed over the period of the past three years.

In reaching a decision to reject the previous application of the Applicant for certification covering practically the same proposed unit, apart from the employees in the Respondent's International Service, the Board took into consideration the evidence that the Guild had concluded a new collective agreement with the Respondent covering the system-wide unit of news broadcast employees in January 1967, a date very shortly after the date of that application of the Applicant for certification, and that the terms of this new agreement had been ratified by the vote of a large majority of the news broadcast employees in Montreal and Quebec City, namely 83 per cent. This evidence provided an effective reply in the view of the Board to the Applicant's allegations and evidence at the hearing of that application that the interests of the news broadcast employees in these centres were not being adequately looked after by the Guild. This was an important factor influencing the Board's decision on that application.

On any application for certification involving a proposed fragmentation of the existing unit particularly in a national communication or transportation field, the effect that the proposal if implemented would have on the maintenance of orderly collective bargaining and stable labour-management relations is regarded by the Board as a matter of major consideration. In the present instance, having regard for the existing situation as disclosed in the evidence, we are not satisfied that an insistence on the maintenance of the existing bargaining unit without affording an opportunity for a vote by the employees immediately affected by the application will serve these purposes.

One effect of the establishment of two units of news broadcast employees will be to transfer from the Guild to the Respondent the tasks of endeavouring to reconcile the conflicting interests of the employees in the two bargaining units.

The Respondent has not intervened in the application. The representative of the Respondent at the close of the evidence and arguments stated that he did not wish to make any representations and desired to leave it to the Board to reach a decision as to what it considers an appropriate unit. We do not wish to speculate on the reasons of the Respondent in reaching its decision not to intervene or make representations in the case. However, if the management of the Respondent with a long experience in collective bargaining had considered that the establishment of a separate unit of employees as proposed by the Applicant would place the Respondent in a more difficult position in its future relationships with the employees affected than it faces under the existing collective bargaining arrangements, the Board must assume that the Respondent would have submitted such views to the Board both in its own interest and for the benefit of the Board.

On the evidence and in the light of the unique situation as disclosed and having regard for the general characteristics of the news gathering profession and and the nature of their work and factors of community of interest involved, the Board is of the opinion that a unit

of employees in the news broadcast service of the Respondent in Montreal and Quebec City in the classifications of editor A, editor B, editor C, National Assignments editor, camera editor, editorial assistant, reporter A, reporter B, copy clerk D1, and copy clerk D, would constitute a viable and appropriate unit for collective bargaining and orders that a vote of employees in the unit be taken under the direction of the Board's Chief Executive Officer with the names of the Applicant and the Guild on the ballot to ascertain the wishes of these employees as to their choice of bargaining agent.

The votes of the employees in the Respondent's International Service will be segregated in order that the Board may have the opportunity to give further consideration to the position of these employees in the light of the administrative changes pertaining to this group which have been recently announced by the Respondent.

(Sgd.) A.H. BROWN  
*Chairman*

Ottawa, July 17, 1968



## ADDENDUM

### Decision of the Canada Labour Relations Board

#### On Application for Revocation of Decision

#### Made by Canadian Wire Service Guild

The Board has given consideration to the application of the Guild under date of July 31, 1968, that the Board reconsider and revoke the decision made by the Board under date of July 17, 1968, whereby the Board found a unit of employees in the news broadcast service of the Respondent in Montreal and Quebec City in the classifications of editor A, editor B, editor C, National Assignments editor, camera editor, editorial assistant, reporter A, reporter B, copy clerk D1, and copy clerk D to constitute a viable and appropriate unit for collective bargaining. The Board ordered that a vote of employees be taken under the direction of the Chief Executive Officer with the names of the Applicant and the Guild on the ballot to ascertain the wishes of these employees as to their choice of bargaining agent. It further directed that in the taking of the vote, the votes of the employees in the Respondent's International Service should be segregated in order that the Board might have the opportunity to give further consideration to the position of these employees in the light of the administrative changes pertaining to this group which had been recently announced by the Respondent.

This decision was made following upon a hearing of the evidence and arguments advanced by the parties to the application including the Guild which was represented by counsel at the hearing.

The Guild raises a number of objections to the direction given by the Board that in the taking of the vote by secret ballot of employees of the Respondent in the unit which the Board found to be appropriate for collective bargaining, the votes of employees in the Respondent's International Service be segregated for the purpose specified in its decision. The Board does not regard as valid the several grounds of objections so advanced. However with a view to avoiding possible misunderstandings or uncertainties which it is alleged might be lodged in the minds of employees arising out of this direction, the Board has decided to vary its direction for the taking of the vote in the unit of employees of the Respondent found appropriate by it for collective bargaining by deleting therefrom the provision that in the taking of the vote, the votes of employees in the Respondent's International Service be segregated, and so orders.

In the opinion of the Board, apart from the matter of the segregation of the votes of employees of the Respondent in the International Service which has been dealt with as above, no grounds have been advanced by the Guild which warrant a reconsideration of the Board's decision with a view to possible revocation thereof nor for a re-hearing in respect thereto.

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# CONCILIATION BOARD REPORTS

## Conciliation Board Reports in disputes between

Federal Grain Limited, Manitoba Pool Elevators, McCabe Grain Company Limited, National Grain Company Limited, Parrish & Heimbecker Limited, N.M. Paterson & Sons, Limited, Richardson Terminals Limited, Saskatchewan Wheat Pool, United Grain Growers Limited, and Westland Elevators Limited and Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employees

National Harbours Board (Port of Montreal) and National Syndicate of Employees of the Port of Montreal

TransAir Limited and Canadian Air Line Flight Attendants Association



**CANADA DEPARTMENT OF LABOUR**

Hon. Bryce Mackasey, Minister

George V. Haythorne, Deputy Minister





CONCILIATION BOARD REPORTS  
together with  
CLRB REASONS FOR JUDGMENT

Conciliation Board Report in dispute between:

Federal Grain Limited, Manitoba Pool Elevators, McCabe Grain Company Limited, National Grain Company Limited, Parrish & Heimbecker, Limited, N. M. Paterson & Sons, Limited, Richardson Terminals Limited, Saskatchewan Wheat Pool, United Grain Growers Limited, and Westland Elevators Limited and Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employees.

The Board of Conciliation and Investigation established to deal with a dispute between certain terminal grain elevator companies at the Lakehead and the Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employees was under the chairmanship of R. A. Gallagher, Q.C., of Winnipeg. He was appointed by the Minister of Labour in the absence of a joint recommendation from the other two members J. W. Healy, Q.C., of Toronto and J. S. Wells of Montreal, the nominees of the companies and union, respectively. Each member of the Board contributed separately to the report. The report was received by the Minister in July.

Sittings of the Board were held at Winnipeg, Man., on Tuesday, May 21 through to Friday, May 24, 1968.

The Board heard the representations of the parties, who were given full opportunity to present their submissions and arguments, and both parties availed themselves fully of this opportunity. Further, extensive discussions were held by the Board with the parties, separately and together.

Some history of the prior relationships of the parties is of assistance in understanding the current difficulties between them.

The last collective working agreement between the parties was for a 3-year period commencing January 1, 1965, and ending December 31, 1967. As at May 1, 1968, there were 1243 employees in the various bargaining units.

In accordance with the provisions of the above collective agreement each party served the other with notices to amend various provisions of the agreement. As a result of these notices there were some 55 matters in negotiation between the parties.

The parties engaged in direct negotiations on November 20 and 21, December 12, 13, 14 and 15, 1967, and on January 16 and 17, 1968.

Little progress was made in these negotiations. This was due to the fact that the union would not discuss the proposed amendments generally until such time as it had a firm offer on wages and other major money items from the employers, while the employers would not discuss the matter of wages and other items until such time as the other points in issue had been resolved. The inflexibility of the parties with regard to these positions left little room, or hope, for progress.

On January 27, 1968, the Minister of Labour appointed a conciliation officer at the request of both parties. The conciliation officer met with the parties on February 18 to February 22, 1968, both inclusive; March 6 to 9, both inclusive, and March 28 to 30, both inclusive. In spite of his efforts he was unable to bring the parties together, and indeed it might be said that even at that late date the parties indicated very little flexibility in their attitudes.

As a result, the parties came before this Board, not having really bargained with one another and with strongly held views.

This Board was unable to bring the parties to a settlement. While it is true that the prior rigid views were softened somewhat, the basic issue of the union requiring as a prerequisite an offer from the employers encompassing an offer on wages and the other major money items and the employers requiring that matters other than wages and other major money items be disposed of first, had not changed or softened in any real respect. In fact, when discussions were held on the question of money matters with both parties, the disparity between their positions was such as to indicate to this Board that so long as the parties maintained their respective adamant positions no hope of bringing about agreement between them existed.

It was, therefore, with great regret that this Board advised the parties on Friday, May 24, 1968, that the inescapable conclusion to be drawn from all of the foregoing facts was that this Board would have to prepare a report to be filed with the Minister of Labour.

However, the Board emphasized to the parties at that time that the consequences of their respective positions were not only of tremendous importance to their members and shareholders, but also were of the most serious and urgent importance to all the citizens of our country. The Board endeavoured to emphasize that the parties owed a responsibility not only to their respective members and shareholders but also to the people of Canada, and that the results of the positions they had taken were so great in their implications as to warrant any and all efforts to reach a settlement, which, while not palatable to either, could be accepted by both in the true spirit of compromise.

Accordingly, the Board advised the parties that it would adjourn but would not commence deliberations for its report until Wednesday, May 29, 1968, and that in the interval it was hoped that the parties might (it would seem for the first time in this case) enter into meaningful discussions. The Board suggested that if it did not receive

word of some progress between the parties by 9 a.m. Wednesday, May 29, it would commence its labours. The Board has not been advised of any such discussions or progress.

The areas of difference between the parties, as previously mentioned, are numerous and substantial in their nature. While both parties filed excellent briefs with the Board, the brief filed by the employers has such a format that it enables the Board to start at the beginning of the prior collective working agreement and to note the changes to the various articles requested by each party. This enables this Board to deal with the matters at issue in an orderly fashion.

The Board points out to the parties that where a provision in the prior agreement has not been designated for amendment or revision by either party then no reference to such provision is made in this award.

To deal now with the points at issue:

#### PREAMBLE

The parties are basically in agreement on the wording of the preamble. The only exception is the fact that McCabe Grain Company Limited ceased to operate a terminal grain elevator and to employ any person in its bargaining unit as of May 10, 1968, and it is, therefore, submitted that the name of this employer should be deleted from the said preamble.

The Board agrees that the name of this employer should be deleted as requested, subject, however, to the award, based on what follows hereafter, that all employees of McCabe Grain Company Limited shall receive the benefits of any applicable provisions of this award from their effective date up to the date of the cessation of their employment.

#### ARTICLE 1.01 (a)

The union's amendment to this article -- the insertion of the word "exclusive" -- really brought about no objection by the employers and appears eminently fair to the Board and it so awards.

However, in the same Article the union suggests that the category of "master mechanic" which is excluded from the scope of the bargaining agency requires definition.

The employers reject this request pointing out that only two of the employers at present employ master mechanics and, further, that the job function of a master mechanic includes supervisory responsibility for work performed by members of the bargaining units.

This Board is of the view, and so awards, that it is not the function of this Board to enter upon an extensive inquiry as to what qualifications do, or lack of qualifications do not, constitute the classification of "master mechanic".

The parties have their remedy available to them. If any dispute arises as to whether a person is, or is not, a master mechanic then recourse can be had to the Grievance Procedure under the agreement, and, as important, the parties could apply to the Canada Labour Relations Board for a definitive ruling on this point.

#### ARTICLE 1.01 (b)

The employers have placed this new Article in this position, while the union had initially placed its request as a new article under number 14.09.

Regardless of its numerical position the request of the union, which was denied by the employers, reads as follows:

"Employees who are not members of the bargaining unit shall not do any work normally or incidentally done by members of the bargaining unit. The introduction of new procedures, new machinery, whether experimental or permanent, which in any way will affect the operation of the plant, shall be considered the work of the bargaining unit."

Here we have a direct confrontation between two diametrically opposed philosophies. The union, on its part, would like to make all changes in operation, both due to technology or otherwise, a part of the work load of the labour force with no room for adaptation, experimentation, implementation, or the like.

The employers' position stripped of all verbiage is simply the exact opposite of the union's position. It is to the effect that the employers have, and should continue to possess, the absolute right to determine whether new procedures, new machinery, experiments, adaptations, etc. should be instituted, apparently without regard to the impact this might have on the work force.

This position deserves no kinder remarks than those above with regard to the union's position in the matter since, in effect, it merely saddles the work force with the procedures of the past and, allows the employers to make such innovations as they may wish, to the economic advantage or benefits to the members of the labour force other than those which may be granted by the employers as they, in their wisdom, see fit.

Since the whole issue of technological change has been raised by the union in certain other requested amendments which follow, and which will have to be dealt with by this Board hereunder, it is sufficient for this Board to deal with this issue in a much narrower compass than represented by the respective positions of the parties.

The Board, therefore, awards that the following provision be inserted in the collective agreement between the parties:

"Employees who are not members of the bargaining unit shall not do any work normally or incidentally done by members of the bargaining unit."

#### ARTICLE 1.05

This article deals with the matter of union security. The present provision in the collective agreement reads in part as follows:

The principle of the 'open shop' is maintained  
....."

In its brief the employers comment on this matter as follows:

"At present, the union enjoys a dues shop arrangement which requires every employee, whether a member of the union or not, to pay an equivalent to the normal monthly union dues.



When this arrangement was agreed upon, there was a clear understanding between the union and each of the employers that the arrangement was accepted as an alternative to the union shop. Nothing has transpired to alter this understanding and accordingly the request for a union shop is denied."

This is an old thorn in the field of labour-management relations. Significantly, if the employers' submission is accurate, and one must assume that it is since it has not been contradicted by the union, the employees who receive all the benefits provided by the union as the bargaining agent are paying their share of the costs of same.

In many arbitration and conciliation proceedings in the past where unions have been seeking a "dues shop" or "Rand formula" or one of the many modifications thereof, one major argument of the unions has been that "freeloaders" should not be countenanced, and in an overwhelming majority of such cases such argument was listened to, and implemented.

However, the union in this case wishes to carry this philosophy one step further. It argues that all employees in the bargaining unit should be compelled not only to pay their share of the costs involved, but, in addition, to join the union.

In support of this position the union states:

"In an age when complex and swift changes are taking place in industry, together with their effects being simultaneously transferred to the work force with a greater emphasis of responsibility being placed on the union, it is axiomatic that the union must be placed in a position to accept this responsibility ....."

Significantly, in the last agreement between the parties there was a provision numbered Article 1.06 which the union has now asked to have deleted. This Article 1.06 reads as follows:

"It is understood and agreed that inasmuch as the Company recognizes the Union as the Bargaining Agency of the employees, as evidence of good faith the Union assumes responsibility for its members in their relations with the Company."

It would seem that there is some conflict between the union's position on these two points. In the first case the union argues that a union shop should be granted because greater responsibilities are falling upon it in this modern age. In the second instance the union appears to be saying that, while it will be responsible for its members to the extent determined by law, it does not wish to have acknowledgment of this position enunciated in the agreement.

To this Board it would appear that there are two issues in this request. First, is the union being penalized in any way, or, is it being prevented from carrying out its proper functions because a union shop does not at present exist? Second, should an employee who is required to pay his share of the costs of negotiating agreements, and of enforcing and administering the provisions of same, be required to join the union even though he objects on principle for one of any number of reasons to doing so?

This Board is of the view, and it so awards, that no evidence has been presented to show that the union has been

penalized in any way or prevented from carrying out its proper functions by the union security provisions of the last agreement between the parties.

This Board is further of the view that where an employee is bearing his share of the costs of the services rendered by the union on his behalf, and on behalf of other employees in the bargaining unit, it would be a violation of such an employee's basic rights in our society, and, in particular, a violation of his rights to control and to determine his own destiny; his right to dissent if he so desires and his right to remain an individual and not a part of a group if he wishes to do so.

The Board therefore denies this request of the union.

#### ARTICLE 1.06

This article has been referred to above. The union has requested its deletion.

The employers have denied this request and their brief states:

"The courts have clearly determined that a union may be held liable for the acts of individual employees. For many years this section has appeared in successive predecessor collective agreements between the union and each of the respective employers. Although it is not necessary to have the new collective agreements contain the former provision to establish the responsibility of the union, because of the implicit concomitance involved with agreement to its deletion, the employers take the position that the new collective agreements should contain the former provision."

Surely the answer to the whole request is contained in that portion of the sentence underlined above.

Certain principles of law in this area have been enunciated by the courts of this country and the application of these principles to the facts of any given case will neither be advanced nor detracted from by any specific covenant such as the present Article 1.06.

Also, the deletion of said article surely cannot be construed by anyone as an abrogation of those principles.

It is therefore the award of this Board that Article 1.06 of the current collective agreement be deleted from any new agreement between the parties.

#### ARTICLE 1.09 (b).

The union has requested that the present Article 1.09 be lettered as "(a)". This is a no-strike or lockout provision of what might be called the general type.

The union then requests the insertion of a new Article 1.09 (b) reading as follows:

"It shall not be a violation of this agreement for any employee of his own volition to refuse to cross any legal picket line endorsed by the union."

It seems to this Board that the union by this request is endeavouring to usurp the functions of the courts of this country and to substitute its decision for that of a court of law as to what may in any given circumstances constitute a "legal" or an "illegal" picket line. Further, this request

is unnecessary since it is, at least to some extent, an enunciation of existing principles of law. But to combine existing legal principles with a power reserved to the union to determine what is, or what is not, at any particular moment in time, a legal picket line would give rise only to greater chaos, misunderstandings and uncertainty between the parties.

The Board therefore awards that the union's request be denied.

#### ARTICLE 2 - Deduction of Union Dues

The union has requested substantial amendments to this article dealing mainly with the procedure for such deductions.

The employers have disagreed in part with the union's proposals, but the area of disagreement does not appear to be of a substantial nature.

The Board, therefore, awards that the union's proposed wording for this article be adopted with the following amendments:

- (a) that the words "and assessments" be deleted from sub-paragraph (a) of the union's proposed article;
- (b) that the phrase "each such employee" be substituted for the phrase "each employee" wherever the latter phrase appears in sub-paragraphs (b) and (c) of the union's proposed article.

#### ARTICLE 4 - Grievance Procedure.

This issue involves the question of the period of time within which an employee may lodge a grievance.

The provision in the current collective agreement provides that such grievance shall be lodged within 5 days of the occurrence of the event giving rise to it. The union has requested that this be extended to 15 days and the employers have countered with 10 days.

The employees of the several employers are paid twice each month although the precise payroll periods vary.

It would seem to this Board, and it so awards, that the counter-offer of the employers is reasonable in those circumstances which generally result in a grievance being lodged.

#### ARTICLE 5.01 - Arbitration.

The request by the union in this connection relates to what are often called "policy" grievances. The union and the employers are not in disagreement on the principle involved. Rather the difference between them relates to the appropriate wording to be used -- each party having proposed certain wording.

Even in this narrow area there is not much difference between their respective suggestions.

This Board finds the wording proposed by the employers to be of a clear and precise nature and awards that this wording be incorporated into the new collective agreement between the parties.

#### ARTICLE 6 - Vacations.

There are several matters in dispute between the parties under this heading. These are:

- (a) The vacation allowance to be granted an employee with less than 1 year's seniority or 1 year's employment.
- (b) The question of long service vacation entitlement; and
- (c) The basis of calculating entitlement to vacations -- i.e. length of seniority or length of employment.

It is advisable for this Board to deal with the last of these points first since the answer to this problem will reflect on the other points.

#### (c) Basis of Calculating Vacation Entitlement

At present, under the existing collective agreement, entitlement to vacation credits is based on years of seniority.

Under Article 10 an employee has his name placed on the seniority list having completed 60 days of work in 12 consecutive months. At present, to have his name retained on such list, he must, basically speaking, return to work during the 18-month period following his lay-off.

Also such an employee, if he only qualified by working 60 days in 12 consecutive months and having his name placed on the seniority list, and if his seniority was less than one year in length, would receive 1 week of vacation and 2 per cent of his total earnings for the previous calendar year; if over one year's seniority and up to 10 years' seniority he would receive 2 weeks' vacation plus 4 per cent of total earnings, and so on.

The union wishes to maintain the seniority provision for vacation entitlement.

The employers, on the other hand, wish to implement a provision giving each employee 1 year's credit or entitlement for every year of seniority up to January 1, 1968, and thereafter entitlement based on the employee working 180 days in any calendar year.

The employers say their proposal is fair and reasonable and consistent with the pith and substance of the Canada Labour (Standards) Code.

However, this Board is aware that the nature of the employers' business is seasonal and subject more than most endeavours to the vagaries of weather, the supply and demand of world markets, the availability or otherwise of other service industries, and so on.

To saddle employees (possibly many of them with long service) with the requirement of having to work more than one-half of the working days in any calendar year when such employment -- due to no fault of the employee -- may not be available to him, seems unfair and unreasonable.

In this Board's view the provision suggested by the employers could only be justified if it is clearly illustrated that under the present provision the employers are being penalized or the operation of their enterprises unjustifiably interfered with by the present vacation entitlement provisions.

It is true that the employers' busy season is almost identical with the vacation period of May 1 to October 31 set out in the current agreement. Under these circumstances the employers would likely prefer to have as few of their trained personnel away during this period as possible. But neither the employers nor the employees should be held responsible for the climatic conditions of this country, nor should either be penalized, to the benefit of the other, for circumstances over which neither has control.

Under the present system, if by May 1 or any given year an employee is on the seniority list and has been so for over one year then he is entitled to 2 weeks' vacation. But this, it appears obvious, means little. If this employee had been on lay-off for a number of months in the prior calendar year, then the monies available to him for a vacation would hardly warrant him availing himself of 2 weeks'



vacation, especially since he might have earned little income or vacation pay.

Further, it would appear to the Board that the wording of the employers' proposal leaves much to be desired. If 180 days in a calendar year after January 1, 1968, is the standard and if the vacation period remains at May 1 to October 1, at what time does one calculate whether a particular employee qualifies for a vacation for that particular year? And on what basis?

It is the opinion of this Board, and it so awards, that the manner of establishing and calculating vacation entitlement as set forth in the prior agreement between the parties is a fair and reasonable provision and should be carried forward into the new agreement between the parties.

(a) Employees with under one year's Seniority

The union has requested that such employees receive 1 week vacation plus 4% of total earnings for the previous calendar year.

The disagreement is with respect to the 1 week of vacation.

It is the opinion of this Board, and it so awards, that with regard to employees who have been employed for less than 1 year, as of January 1 in any year, that such employee receive a vacation entitlement of one half-day for each month of completed service up to a maximum of 5 working days in any calendar year, plus 4 per cent of his total earnings in the prior calendar year.

(b) Long Service Vacation Entitlement

The parties appear to be in agreement on 2 weeks' vacation after 1 years' seniority up to 8 years' seniority (although as set out above the employers used the yardstick of "year of employment"). The Board so awards - i.e. after 1 year's seniority.

The union requested 3 weeks' vacation after 8 years' seniority. The employers offered 3 weeks' vacation after 8 years' employment. In view of the Board's decision above, the Board awards that the union's request be granted.

We then come to the area of major disagreement between the parties. The present agreement between the parties provides for 4 weeks' vacation after 20 years' seniority. The union has requested that this be amended to read 4 weeks after 15 years and to add 5 weeks after 25 years' seniority with vacation pay equivalent to 10 per cent of an employee's earnings for the previous calendar year.

The union cites certain other industries in the Lakehead area and the vacation privileges of the terminal grain elevator employees at the Pacific coast and suggests that these requests merely bring them into line with these other areas.

The employers disagree with these requests and state, without giving any statistics concerning same, that the present vacation privileges are fair and reasonable and compare favourably with the practice prevailing in the Lakehead generally.

In this Board's view there is no need to enter into a precise comparison of the vacation benefits granted by other employers in the Lakehead area or, for that matter, across this country.

It is sufficient to state that there is an obvious, and well-documented, trend in industry to-day to afford employees with lengthy service an extended vacation as a reward for such service.

While the Board was not given accurate data as to length of service generally within this bargaining unit, the Board was advised by the union that there were a substantial number of employees with service of 15 years, or 20 years, or upwards.

In this Board's view it would be fair and reasonable to both parties to provide extended long service vacations, and the Board awards as follows:

- (a) After 18 years' seniority -- 4 weeks plus 8 per cent as set out above,
- (b) After 25 years' seniority -- 5 weeks plus 10 per cent as above set out.

Article 6.02.

This article deals with the number of weeks' vacation which can presently be taken by the employee in the vacation period of May 1 to October 31. At present the provision allows "up to 3 weeks". The union wishes this changed to 4 weeks.

In view of the circumstances peculiar to the employers' businesses it would seem unfair to this Board to grant employees extended vacation privileges based on long service to the obvious benefit of the employee involved, then saddle the employers with the additional costs, inconvenience and disruption of their businesses which the request under discussion would bring about.

These long service employees will be able to obtain a summer vacation if they so desire. Over and above that they will have available to them one or two weeks of additional holidays to be used at any time convenient to them between November 1 and April 30. In our view this is a reasonable and fair provision, and entirely within the purpose for which it was intended.

The Board therefore denies the union's request.

Article 6.05

This article at present reads as follows:

"No employee shall be obliged to take a vacation of longer duration than the number of days he would require to work to earn an amount equivalent to his vacation pay based on his regular rate current at the time he takes his vacation provided he notifies the Company of his desire to have his vacation term reduced, no later than 15 days after the list of scheduled vacation had been posted."

The employers has requested the deletion of this article. They give their reason for the request as follows:

"The inclusion of the former Section 6.05 in the new collective agreements is not appropriate in view of the requirements of the Canada Labour (Standards) Code which obligate an employer to grant an employee the vacation to which he is entitled. To require some employees to take the full-term of their vacation irrespective of the amount

of their vacation pay, while permitting others to limit their term of vacation, would be discriminatory, inconsistent with the spirit of the Code and at variance with the concept that an employee is entitled to a vacation as an earned absence from stress of work."

The Board finds itself unable to accept this contention of the employers, for many reasons.

First, the employers' argument involving the Labour Standards Code is really an argument in reverse. The purpose of the provisions of the Act was to ensure that an employee who has earned a vacation did, in fact, receive one, and not to impose on an employee a vacation which he had not earned.

Second, the Board can see no variance between the provisions of the current agreement and the concept that an employee is entitled to a vacation which he has earned as suggested by the employers. In fact, it would seem to this Board that the concept of an earned vacation is at the very root of the present provision since it provides that an employee may elect, depending on his initiative and desires, not to take a vacation which he either hasn't earned, or which, due to the somewhat unusual procedure of basing his vacation pay on a percentage of his total earnings in the prior calendar year, he cannot afford.

The Board, therefore, denies the employers' request.

#### ARTICLE 6.06.

Also in view of the foregoing, the Board awards that the union's suggested amendment should be incorporated into the new collective agreement between the parties.

#### ARTICLE 6.07.

In view of what has gone before, the Board awards that this article should be amended to read as follows:

"Vacations of up to three (3) weeks shall be taken consecutively; however, unless otherwise arranged between the employee and the Company, employees entitled to four (4) or five (5) weeks of vacation shall take the fourth and fifth week during the closed navigation season."

#### ARTICLE 7 - HOLIDAYS.

Article 7.01 of the current collective agreement provides for eight statutory holidays.

The union has requested the addition of four further statutory holidays bringing the total to 12.

The employers made a counter-offer of one additional holiday, Boxing Day, thus bringing the total to nine.

It would appear that nine statutory holidays are granted in other major grain terminal elevator centres such as Vancouver, Montreal and Quebec City. It appears, under recently settled negotiations involving the West Coast elevators, that, commencing in 1969, a tenth statutory holiday is to be added, but it must be noted that this additional holiday will be in lieu of half-days previously given before Christmas and New Year's.

There was also evidence before this Board to the effect that employees of the Canada Malting Company in Port Arthur received 10 statutory holidays and that, in the

Lakehead community, some 1150 public employees receive 10 holidays and a further 380 public employees enjoy 11 holidays.

Reviewing all of this evidence it seems to the Board that the offer of the employers to add Boxing Day as an additional holiday is reasonable in the circumstances, and the Board so awards.

#### ARTICLE 7.02.

At present in order to qualify for statutory holiday pay an employee must have his name shown on the payroll for the pay period during which the holiday falls and must have worked his last scheduled working day before, and first scheduled working day after, such holiday, with certain exceptions.

The union suggested that the requirement as to the day before and the day after the holiday be deleted.

The employers countered by suggesting that the employee would be entitled to such pay if he was entitled to wages for at least 15 days during the 30 calendar days immediately preceding the holiday and if he was employed at least 30 days prior to the holiday.

In the Board's view the union's suggested deletion would bring about a laxity in the matter of qualifying for such holidays which would not be in the interests of either the employee concerned or the employers. Similarly, it is the view of this Board that the employers' position is too stringent, having regard to the seasonable and interruptible nature of the employers' businesses.

The Board, therefore, awards the previous Article 7.02 be carried forward into the new collective agreement between the parties, subject to the deletion of the words "other than a probationary employee."

#### ARTICLE 7.04

The union has requested a new provision reading as follows:

"If a holiday falls on a Saturday or Sunday, the following Monday shall be the designated holiday."

The union's position on this point is that since Saturday and Sunday are not normally working days in the industry when a holiday falls on these days the employee should receive the following Monday off in lieu thereof.

As this Board reads the former agreement it would appear that an employee who did not work on one of these holidays, and if the holiday fell on a Saturday or Sunday, then the employee would receive 8 hours' pay at regular rates in addition to his regular pay for the work performed by him in such week.

If this understanding is correct, the Board sees little merit in the union's request and dismisses the same.

On the other hand, if the Board's interpretation of this article is at variance with the policy as carried out by the parties in the past, then the Board reserves to itself the right to reconsider and determine this question upon application by either party.

#### ARTICLE 8 - LEAVES OF ABSENCE.

The issues between the parties are as follows:



- (a) The union wishes the chairman of its shop committee to approve any application for leave of absence and the employers refuse to make this decision subject to union approval.
- (b) The union wishes to maintain, as in the last agreement, a provision to the effect that such leave shall not be granted for the purpose of engaging in work outside the elevator service except in cases involving sickness, or other exceptional circumstances, and the employers wish this deleted.

Dealing with these points:

(a) The union's position apparently is that it should have some voice in whether or not a particular application for leave of absence is granted, otherwise the employers could show preference between one employee and another and thus cause dissension. Also, the question of protection of seniority rights is of paramount concern to the union.

The employers' position would appear to be, on the other hand, that the granting or refusal of such an application lies particularly within the discretion of management; that there has been no illustration by the union of the type of situation it is concerned with; and that the employers should continue to have this discretion since it is as much in the employers' interests to exercise such discretion on a proper and fair basis as it is in the union's interest.

The Board notes that the union did not cite one instance where it alleged that a leave of absence had been granted or refused by the employers for improper considerations.

While the Board can appreciate the union's concern as set forth above, at the same time the Board must accept the fact that a contented work force is as much in the employers' interests as the union's. In this respect, the Board's assumption that the employers will exercise their discretion in a fair and reasonable manner is supported by the lack of evidence in any situation to the contrary.

The Board, therefore, refuses the union's request on this point.

(b) This Board cannot see any objection to the last sentence of the present Article 8.01 and cannot understand the employers' request for the deletion of same.

The Board, therefore, awards that Article 8.01 (a) as proposed by the employers be amended by the addition of the last sentence from Article 8.01 of the former agreement and be carried forward into the new agreement between the parties.

The Board notes that in the union's brief Articles 8.01 (b) and (c) as proposed by the employers are acceptable.

#### ARTICLE 9 - PROBATIONARY EMPLOYEE.

The provision (Article 9.01) in the present agreement relating to probationary employees requires the completion of 60 days of work in a period of 12 consecutive months before such employee's name is placed on a seniority list.

The employers have requested that this period be changed to 60 days of work in a period of four consecutive months. In other words, the employers are requesting an increase from 5 days of work to 15 days of work per month.

The employers' submission is that this request is reasonable in light of prevailing employment conditions and is in harmony with the provisions of the Canada Labour (Standards) Code with respect to the matter of holiday allowance.

This Board has not lost sight of the fact that the industry in question is unusual in its nature and does not fit neatly into the pattern or mold of other industries; that employment is to some extent seasonal, subject to

weather conditions more than most industries, subject to ebb and flow of world markets and subject in large measure to the decisions and actions of third parties.

In such case the Board does not feel that rules applicable to other industries are necessarily of weight in determining what is proper in this case.

The employers did not cite any instances in which the present provisions had caused difficulties or resulted in hardship.

This Board is, therefore, of the view that Article 9.01 as it existed in the former agreement should be carried forward into the new collective agreement between the parties.

#### ARTICLE 9.02.

The present article provides that a probationary employee shall not be entitled to payment of holiday allowance and certain payments relating to welfare plans, pensions, etc.

The union requested that this article be amended by the insertion of the words "subject to the Labour Code".

The employers proposed a new article under which the previous exception of welfare plans, etc., was carried forward under Article 9.02 (a); the matter of non-entitlement to holiday allowance was deleted and a new clause reading as follows was added:

"Notwithstanding any other provision of this agreement, a probationary employee shall not be entitled to:

- (a) .....
- (b) Have his name placed on the seniority list nor have his dismissal subject to the grievance procedure."

The union agreed to the employers' proposed Article 9.02 (a) but took exception to 9.02 (b) above.

In this Board's view the question of a probationary employee's name appearing on a seniority list is adequately covered at present under Article 9.01 above. The Board, therefore, awards that the words "have his name placed on the seniority list nor" be deleted from the employers' proposed 9.02 (b).

However, there remains the balance of proposed Article 9.02 (b) which relates to a probationary employee not having the right to resort to grievance procedure if he is dismissed.

The employers state that this proposal is merely to confirm existing policy and practice between the parties. The union has not denied that this is the existing policy and practice but says that it is a new provision and it can see no reason for its inclusion.

This Board is of the opinion that the employers' request is reasonable and will help to clarify the situation between the parties with regard to dismissal of a probationary employee, and the Board so awards.

#### ARTICLE 10 - SENIORITY.

The present Article 10.02 to some extent dovetails with Article 9.01 in that it provides that an employee's name shall not be placed on a seniority list until he has completed 60 days of work in a period of 12 consecutive months. However, this article provides in addition that for such employee to have his name retained on the seniority list, he must return to work during the 18-month period following the date of his lay-off.

The union requested that the period of 18 months be increased to 24 months.

The employers requested that the 60-day qualifying period be condensed into 4 consecutive months. This Board has already dismissed the same request under Article 9.01 above and dismisses this request also.

The employers also submit that the 18-month period for retention of seniority is fair and reasonable under all the circumstances.

The union bases its request on the fact that it proposed a deletion of the clause at the end of the existing article whereby the period of 18 months is extended if an elevator is inoperative for longer than six months in a crop or calendar year.

The wording of the latter part of said article leaves much to be desired. It reads: "unless the elevator was inoperative for longer than six months in a crop or calendar year." It is hard to know what interpretation would be correct with regard to this clause. For example, is the right to retain seniority rights to revert to the first day the elevator was inoperative, once the elevator is inoperative for six months? Or, does the right of retention at the end of 18 months mean that on the last day of the 18-month period the employee is out of luck unless the elevator has been inoperative for six months at that time? Or in that calendar year? Or in that crop year?

In this Board's view the deletion of this clause will do much to clarify the whole article, and it so awards.

With respect to the 18-month period for retention, no logical reason has, in its opinion, been advanced to this Board for extending what appears to be a reasonable period of time.

This Board, therefore, dismisses the union's request.

#### ARTICLE 10.04.

This article deals with the matter of lay-offs.

The union has requested that any employee shall be notified in writing 48 hours in advance of a lay-off. This would include probationary employees.

The employers, on the other hand, have suggested that no specific time limit for notice is practicable and that it will give such notice as far in advance as is practicable but only to regular employees.

Further, the union requests that the shop committee be provided with a list of all employees to be laid off. The employers have countered by saying they will give this committee a list of all employees who are laid off and, as far as is practicable, a list of those who are to be laid off. This, in effect, is what existed in the previous agreement between the parties.

The union bases its request on the suggestion that an employee who is notified 48 hours in advance would be able to investigate those jobs then occupied by junior employees which he felt he could perform and this would enable him to commence his "test" period in such a junior position without disruption of his work schedule.

It is remarkable to note that while the corresponding provision in the former agreement speaks of as much notice as is practicable to regular employees, and while the former agreement was in existence for three years, -- 1965 to 1967 inclusive -- no instance of hardship or inconvenience or disruption of an employee's life was brought to the attention of this Board by the union in its submission or in supplementary discussions.

This Board can understand the employers' concern at being committed to advance notice of at least 48 hours. The

Board cannot understand, however, why such notice should be limited to regular employees, especially if no time limit is imposed.

The Board, therefore, awards that Article 10.04 of the former agreement between the parties be carried forward into the new agreement except that the word "regular" in the second sentence thereof shall be deleted.

The same comments apply to the question of supplying lists to the shop committee and the comments and award of the Board above answers this question as well.

The Board also awards that notice of lay-off should be in writing in all cases under the provisions of the new agreement between the parties.

#### ARTICLE 10.05.

The issues under this article revolve around the right of an employee who has been given notice of lay-off to demand the opportunity to demonstrate his ability to perform the functions of another position, and the further point as to whether the decision by the employers as to his ability to perform this other position is, or should be, subject to grievance procedures.

Under the present article an employee is entitled to a 2-day trial period. Also there is nothing in the present article to suggest that the decision by the employers as to an employee's ability is subject to the grievance procedure.

The union in effect says that 2 days is too short. The employers say that 2 days is an ample test or trial period and that one must keep in mind that what is contemplated is not a period of training on the job.

Further, the union says there is doubt as to whether an employer's decision as to an employee's ability is subject to the grievance procedure. The employers, on the other hand, state in their brief that

"The employee has ..... the right to lodge a grievance if he believes he has suffered hardship or injustice as a result of the employer's action or judgment. Determining the ability of an employee to perform work as required is an essential management function. To accede to the union's proposal would mean management by arbitrators rather than management by management."

It seems to this Board that there is a clear conflict in the employers' statement quoted above. If the employee has the right to lodge a grievance in this area then he has such right regardless of the ultimate consequences of pursuing it.

This Board is of the view, and it so awards, that 2 days is ample time to test the abilities of any member of the bargaining unit in the context of the provisions of Article 10.05.

This Board is further of the view that there is doubt under the provisions of the present agreement as to whether an employee has the right to resort to grievance procedures when the employer makes a decision as to his ability to perform certain job functions.

The Board, therefore, awards that the following sentence be added to Article 10.05 as it existed in the former agreement and that the said article, as amended, be carried forward into the new agreement between the parties:

"An employee shall have the right to resort to the grievance procedures of this agreement with respect to any decision made as to his ability to perform the work of the position as above referred to."



#### ARTICLE 11.01 (b) - Job Posting

This issue has to do with the posting of new positions or vacancies in established positions.

Both parties proposed new wording for this article and there is conflict between their proposals.

The first apparent conflict between the parties is that the employers endeavour in their wording to limit the application of the word "vacancies" to a period of 4 weeks' absence, or longer. Then in their brief the employers state:

"Nor are the employers in agreement with the proposition that a vacancy is created when an employer grants a vacation to which an employee is entitled or when an employer grants a leave of absence."

After careful consideration of this matter this Board is of the opinion that Article 11.01 (b) of the former agreement served its purpose well and the Board awards that the former article be carried forward into the new agreement between the parties.

#### ARTICLE 11.01 (c).

This issue relates to the situation where the most senior applicant has applied for a new position or vacancy and has been refused. Such an employee may demand an opportunity to demonstrate his ability in that job and, at present, he would receive a trial period up to a maximum of two days. The Union has requested an amendment to provide a maximum of ten days plus certain other amendments.

The employers do not disagree with the other amendments, but do disagree with the 10-day maximum period and have countered with a proposal of 5 days.

This Board is of the opinion, and it so awards, that a period of up to a maximum of 5 days should be ample for the purpose of an employee demonstrating his ability to perform the work required with respect to such new position or vacancy.

#### ARTICLE 12 - HEALTH AND WELFARE.

Article 12.01 deals with the responsibility of the employers to provide and maintain adequate lunch room accommodation and proper sanitary conveniences in each elevator.

The union has requested that a sentence be added at the end of the existing article which at first it proposed should read:

"The Company agrees to abide by the Canada Labour Safety Code."

and which it later proposed should read:

"The Company agrees to abide by the Industrial Safety Act 1964, Statutes of Ontario 1964; or any comparable statutes of Canada when enacted and enforced."

In this Board's view such a covenant on the part of the employers is superfluous. The employers are bound by the provisions of all laws applicable to their undertakings. If the employers are not observing such laws (and there is no evidence before this Board that such is the case) then a covenant to observe that which the covenantor is presently not observing seems ludicrous.

In such circumstances, if they ever existed, the answer surely lies in having the government, which enacts such laws and which should be interested in their enforcement,

take the necessary steps to have the same obeyed. In addition, the government has the trained personnel, the resources and remedies available to it to make the provisions of such laws effective.

The Board therefore dismisses the union's request on this point.

#### ARTICLE 12.01 (b).

The union has requested that a new provision be inserted in the collective agreement reading as follows:

"All main lunch rooms to be properly ventilated. Water cooler and paper cups to be provided on each floor where employees do not have easy access to main lunch room."

The positions of the parties on this point are quite brief and the Board wishes to set the same out in full.

The union states:

"The union wants a uniformity of ventilation in the lunch rooms. Presently there are some companies which ventilate their lunch rooms and other companies which do not. On the question of providing drinking water for the employees, it leaves something to be desired when the employees must drink tepid water during the hot dusty summer months."

The employers stated:

"The employers consider this proposal to be both unnecessary and inappropriate. First we draw attention to the provision of Section 12.05 which is not in dispute. It is submitted that the present facilities are reasonable. There are drinking facilities in each main lunch room and in some elevators there are drink vending machines. To install water coolers on each floor would result in the coolers freezing in winter and in any event on virtually every floor there are coffee and tea making facilities and in many elevators on several floors there are small local lunch rooms."

This Board is of the opinion that it is not its proper function to enter into the controversy of whether or not there should be a water cooler on every floor of each elevator. If the Board did enter upon such an enquiry and arrived at a decision the result would be that the opinions of those who are probably least informed on the matter would be substituted for the opinions of those who are best informed -- the employers and the employees.

What is more, the parties have a remedy available to them. The employers have agreed to safeguard the health and welfare of their employees. If, in the opinion of the employees, the employers do not do so, then, surely, resort may be had to the grievance procedure of the agreement.

The Board therefore denies the union's request.

#### ARTICLE 12.02.

In the Board's view it would be wise to set this article out in detail as it exists at present so that the Board's award will be clear to all concerned;

"The Company will contribute 66 2/3 per cent of the cost of the Ontario Hospital Services Commission Standard or Semi-Private Ward Hospitalization Benefit Plan and the Physicians Services Incorporated Plan (or a medical plan providing equivalent benefits), in which an employee may participate, and the remainder of such cost 33 1/3 per cent will be borne by the participating employee."

The union did not suggest any change in the wording of this article.

The employers, however, suggested that the word "equivalent" be replaced by the word "comparable." The employers base this request on their statement that the benefits provided by the new Ontario Government plan, in which many of the employees participate, are not precisely "equivalent" to those of the former plan. Further, the employers say that, to maintain the "equivalent" benefits, the 66 2/3 per cent contribution on their part will mean a substantial increase in costs to them. They have calculated these costs at an average of 3 cents per employee per hour. The employers also state that they are given to understand that further increases in premiums are planned.

This Board is of the view, and wishes to record the fact, that three and one-half years ago, when the parties entered into their last agreement, it was highly unlikely that either party could foresee today's situation concerning medicare.

On the other hand, at some time in the past the parties negotiated on this point and the union obtained, and the employers granted, a benefit under which the employers agreed to pay two-thirds of the cost of a plan which provided certain benefits, and the union agreed to accept such benefits and pay the balance of the cost of same.

Then, due to circumstances beyond the control of both parties, the situation was changed by the implementation of a government-sponsored scheme.

There are really four courses open to the parties:

1. Maintain the existing wording of the article and the status quo.
2. Reduce the benefits to be received by the employee.
3. Maintain the benefits to be received by the employee at the same level but reduce the percentage of contribution by the employers; or
4. Alternatively, set a ceiling on the respective contributions -- for example, at the present level -- and apportion any additional costs which are beyond either party's control, on a basis which would seem equitable to both.

This Board having established, to the best of its ability, the possible courses of action that are open to the parties, would like to express the following views:

- (1) To maintain the status quo would seem to confer on the union all the benefits, and impose upon the employers all the detriments of a situation which neither party could have foreseen and over which neither had any control.
- (2) To reduce the benefits at present received by an employee would, in effect, deprive him of something which had been bargained for, and obtained, in good faith, and at the present time would likely give some financial saving to the employers.

(3) The remarks under (2) above apply here as well with slight modification.

(4) This alternative appears to be the only solution which would be equitable to both parties now and in the future.

This Board, therefore, is of the view that the level of contributions by the employers and the employees to the OMSIP shall be set at the respective amounts paid by the employers and the employees under the former agreement at the time of its expiry on December 31, 1967, and any additional premium now required to be paid, over and above the total of the aforesaid contributions, shall hereafter be borne and paid thus: 50 per cent by the employers and 50 per cent by the employees, with the benefits to the employee under the new agreement to be equivalent to the benefits such employee was entitled to as at December 31, 1967. The Board so awards.

#### ARTICLE 13 - HOURS OF WORK

There are several issues between the parties in this matter. They are:

- (a) The union has suggested that where more than one shift is being worked the hours of such shifts shall be midnight to 8 a.m., 8 a.m. to 4 p.m. and 4 p.m. to midnight. The employers do not disagree with this but wish the clause to read "the normal hours of such shifts shall be."
- (b) The union is prepared to recognize that operational requirements may necessitate a day-shift which runs from 8 a.m. to 4 p.m. with no scheduled luncheon period. The employers wish this to read "a day, evening or night shift during which no luncheon period is scheduled."
- (c) Also, at present, during the closed navigation season, the employers may, at their discretion, schedule an 8 a.m. to 4 p.m. day shift for any or all operations of an elevator. The union is prepared to continue with this article in its present form. However, the employers wish to delete the qualification of the "closed navigation season."
- (d) Last, at the present time, the former agreement provides that in order to complete a boat shipping order the employers may require employees to work to 6 p.m., or one hour overtime. The union is prepared to continue with this article in its present form. The employers wish to delete all reference to the reason for extending the hours of work, and, in addition, wish to enlarge the time to 7 p.m.

The Board deals with these points and awards as follows:

- (a) This Board can see no merit in the employers' request to insert the word "normal" as above mentioned. If there are abnormal, or other than normal, situations regarding hours of work, then they should be set out explicitly in the provisions of the agreement and should not be dependent on semantics or be open to more than one interpretation.

The Board denies this request by the employers.



- (b) This Board is of the view that shift work in itself is enough of a disruptive force in an employee's life -- family, social, etc. -- that it would require the most persuasive reasons before allowing the employer the unqualified right to dispense with a luncheon period on late evening and early morning shifts. No such reasons have been advanced. This Board is further of the view that the fact that the luncheon period may be dispensed with on the day shift does not give any yardstick by which it can be applied to other shifts. The two types of shift, for many reasons, are not really comparable. The Board, therefore, denies this request by the employers.
- (c) The Board notes that it received an argument of a general nature only from the employers for this request, and only a general objection to the same from the union.

The employers' position is:

"The amendments proposed by the employers are designed to clarify that the hours of work apply to all operations in all seasons ....."

The union's position is:

"The union is opposed to any relaxation of any present restrictions on hours of work and over-time."

Such being the case, the Board has had to endeavour to ascertain what the real issue is between the parties. After considering the matter carefully the Board is of the opinion that, if the employers' suggested deletion is allowed, it will not work to the detriment of any employee. The Board so awards.

- (d) This Board recognizes that, by the very nature of the industry which is involved, there is a busy season and a slack season. The Board further realizes that the matter of loading "boats" is of paramount importance to the welfare of the employers and their employees. Therefore, the Board awards that during the open navigation season the employers may require an employee to remain at work until 7 p. m. subject to payment of wages as already provided and subject to the 6 p. m. deadline so far as call back to work on the same day is concerned.

#### ARTICLE 13.02.

In the former agreement the employers agreed that, so long as work was available, they would endeavour to provide to each person employed a normal week's work. In other words, there was no guaranteed work week.

The union has now requested that after a person is employed, or after recall from lay-off, the employers must provide a full week's work for such employee other than in the first week of employment.

The employers' position, stated simply, is that by the very nature of the industry in which they are engaged, and having regard to costs involved, such a guarantee of work is impossible.

This Board believes that the time has not yet arrived in the social and economic development of our country when a guaranteed work week can be implemented, or, even if it

could, that it would be in the general interests of Canada to do so.

Over and above that, this Board would not be prepared to consider favourably such a suggestion, having in mind what has already been stated by the Board as to the unusual features of the employers' businesses. For example, if, due to the intervening acts of third parties, it becomes necessary to lay off 100 employees and retain the balance of the work force on a reduced work week, do we then penalize some of the employees still at work by laying them off in order to maintain the remainder (however few) on a guaranteed 40-hour week?

It seems to the Board that there is only one work "pie" to be split and that, in the splitting, one must have regard to the welfare of all employees, or as many as possible, and not just a few.

The Board denies this request of the union.

#### ARTICLE 13.03 (b).

The union has suggested that article 13.03 in the former agreement be relettered as (a) and the employers have agreed to this suggestion.

The former article provides that a person who commences scheduled duties and is laid off shall be paid for at least 4 hours, and, if he has worked over 4 hours when laid off, he shall be paid for 8 hours. Also, an employee summoned to work on other than his regular scheduled working day shall receive at least 4 hours, and, depending on circumstances, 8 hours pay.

The union has now proposed a new article 13.03 (b) reading as follows:

"An employee summoned to commence work after the normal starting time, whether on a normal working day or not, shall be paid from normal starting time."

The problem has apparently been precipitated by some employers calling employees to work in the middle of the day on Saturdays.

The employers' view is stated as follows:

"At present an employee who works part or all of a four-hour period receives payment for a full four hours. If due to special circumstances an employee is summoned to report for work after the normal time on either a regularly scheduled day or any other day, the union is demanding that he should be paid from the normal starting time which in effect is a guaranteed work day of 8 hours. The concomitant of wages is work and the employers should not be expected to pay for work which is not performed. The present four-hour minimum guarantee is fair and reasonable and compares with the practice generally prevailing in the community."

While it is probably true (at least, theoretically) that the "concomitant of wages is work" it seems to this Board that an employee who has agreed to work for an employer is entitled to have his time off duty to himself and subject to as little disruption as possible. Further, since management asserts its fundamental right to manage the enterprise in all its aspects, it seems no more than reasonable to ask that it manage it with efficiency and, if an employee

is to be called in to work, that he be summoned for what is referred to as a "normal" starting time.

Management has the day-to-day knowledge of the requirements of its enterprise, or, if not, it has, or should have, personnel who can project such requirements with some accuracy. To require management to exercise its abilities to make its operation as efficient as possible and thus disrupt its employees' lives to the least possible extent, does not seem unreasonable to this Board.

The Board therefore awards that Article 13.03 (b) as proposed by the union be inserted in the new agreement between the parties.

#### ARTICLE 13.04 (a).

At present this article provides for the machinery to recall an employee to work after he has worked 8 hours that day. In this situation the hours of evening overtime work for an employee on the day shift are limited to 5 hours in any normal working day and "a total of no more than 9 hours in any normal working week."

The union has not requested any change to this article, but the employers have requested that the 9-hour limitation be deleted.

The basis of the employers' request is:

"Overtime work scheduled by the employers is governed by permits issued by the Department of Labour for Canada pursuant to the regulations of the Canada Labour Standards Code which, with the exception of stipulated occupational classifications, permit the hours of work of employees to be averaged over a 26-week period. The hours of work of employees in the occupational classifications excepted may be averaged over a 52-week period. The objective of the regulations is to ensure that during the said periods no employee works more than an average of 8 hours' overtime per week. In the light of these circumstances, the restrictions on overtime contained in the former collective agreements must be deleted."

(Underlining is the Board's)

This Board finds that it cannot agree with the employers' contention. It seems to the Board that the employers are taking a provision of the Labour Standards Code which was not designed for, not intended to apply to, employees of this particular industry and applying it to their words and their employees solely on the basis that their industry falls under federal jurisdiction.

The reason for the "averaging" provisions in the Labour Standards Code has been discussed so often and in such great detail that comments by this Board are unnecessary.

Suffice it to say that this Board is of the view that the acceptance of the employers' suggestion would result in the total destruction of the agreed upon 40-hour work week. Such a step would require persuasive evidence as to difficulties and disadvantages experienced by the employers under the provisions of the former agreement. No such evidence has been forthcoming, nor for that matter, has there been any reference made to any such state of affairs.

The Board therefore denies the employers' request.

#### ARTICLE 13.04 (b).

At present this article reads as follows:

"An employee may not accumulate more than (9) hours pay for such evening overtime work in any normal working week."

The union apparently did not, initially, request any change to this article: but, before this Board, the union proposed the following new wording:

"An employee may not accumulate more than nine (9) hours of pay at penalty rates for such evening overtime work in any normal working week."

The employers, as indicated in the remarks of the Board under Article 13.04 (a), object to the limitation of 9 hours and suggest that this article be deleted.

In view of the Board's award with respect to Article 13.04 (a), the Board denies this request of the employers.

The Board further sees no merit in the proposed change in wording of this article. The present article is perfectly clear in its meaning and the additional words suggested are superfluous.

The Board therefore awards that Article 13.04 (b) in the former agreement be carried forward into the new agreement between the parties.

#### ARTICLE 13.04 (c).

This article in its present form reads as follows:

"The Company will divide overtime work assignments among employees consistent with the competence and fitness of the employees to perform the work required and the efficient operation of the elevator."

The union has suggested that this wording be amended to read as follows:

"The Company will divide overtime work assignments evenly among employees consistent with the competence and fitness of employees to perform the work required. The division of overtime work assignments shall not be the subject of a grievance unless the difference in the division is in excess of eight hours in any month."

It should be noted that under the union's proposed amendment:

- (a) The reference to the efficient operation of the elevator is removed; and
- (b) The union is proposing a guideline as to what situation will give rise to the grievance procedure becoming available.

It is the view of the Board that the efficient operation of an elevator is a matter of paramount concern both to the employer and to the employees. To accede to the union's



request would simply mean that overtime must be divided equally regardless of whether this interferes with the efficient operation of the elevator (to the possible detriment of all employees).

It seems to the Board that the present article is fair and adequate. It would be improved, however, by the insertion of the word "evenly" after the word "assignments" in the first sentence of the article.

If this is done, and the Board so awards, then overtime will, in the ordinary course of events, be divided as equally as possible among the employees. If the union, or any individual employee, should feel, at any time, that the division of overtime work was not being made evenly, then the union or the employee could grieve and it would have to be established that such was the case. On the other hand, the employers would have certain defences to such grievance open to them -- in the areas of the competence of an employee to perform the work, the fitness of an employee to perform such work, and the question of the efficient operation of the elevator.

#### ARTICLE 13.05

At present, under this article, an employee required to work a shift other than a regular or special day shift receives a shift premium of 8 cents per hour.

There is a further provision that an employee transferred to other than day-shift work will not be unreasonably denied his request to return to day-shift work.

The union has requested that the shift premium be raised to 15 cents per hour. The employers have countered with an offer of 12 cents per hour.

Also, the union has requested that the article be amended to provide that "an employee ... will not be denied his request to return to day-shift after a period of two weeks." The employers have denied this request and submit that, on this point, the provision in the former agreement should remain unchanged.

The union's position is that it initially requested an increase in the night-shift premium of 20¢ per hour and that it has subsequently lowered this request by 5¢ per hour. Further, the union states, in effect, that night-shift work is a disruption of the social and family life of an employee and that no employee should be required to stay on the night shift indefinitely.

The employers' position is that their offer of a shift premium of 12 cents represents an increase of 50 per cent over the former rate and is reasonable and adequate under the circumstances.

They also say that to allow an employee to demand that he be returned to day shift after two weeks of night-shift work would cause great difficulties to an employer -- especially in face of such considerations as vacations, leaves of absence, sickness and, as well, the operating requirements of the particular elevator.

In the Board's view, the offer by the employers to increase the shift premium to 12 cents is equitable to both parties.

Further, the Board is of the opinion that it would be unwise to impose on the employers a time limitation under which an employee could demand that he be returned to the day shift. To leave this provision as it is at present does not deny the employee the opportunity to return to day-shift work. If an employee's request to return to day-shift work is refused and the reason for such refusal appears to the

employee of the union to be unreasonable, then the parties can resort to the grievance procedure.

However, the Board is of the view that the onus to establish that the denial of an employee's request is not unreasonable in the circumstances should lie on the employers at all stages of the grievance procedure.

The Board therefore awards that the following article be incorporated as Article 13.05 of the new agreement between the parties:

"An employee required to work on a shift other than a regular or special day shift shall receive a shift premium of 12¢ per hour. An employee transferred to other than day-shift work will not unreasonably be denied his request to return to day-shift work. The onus of establishing that the denial of an employee's request is not unreasonable in the circumstances shall lie upon the Company at all stages of the grievance procedure."

#### ARTICLES 13.06 and 13.07.

These articles deal with the question of the rate of overtime and the circumstances under which overtime shall be paid.

At present, without being exhaustive, the former agreement provides for overtime pay at the rate of time and one-half in what might be termed a normal overtime work situation, and at the rate of double time in the less frequent or unusual overtime work situations (e.g. work on a Sunday or designated holiday).

The union's request, stated simply, is that double time should be paid in all the overtime work situations.

The union's position, also stated simply, is that the overtime rate of pay is designed to act as a penalty or deterrent to the employers so that the employers will be as efficient as possible in the scheduling of work.

While this submission is undoubtedly valid, it seems to the Board that the union has chosen to ignore the fact that this penalty or deterrent existed under the terms of the former agreement in that it provided for time and one-half and, in addition, double time under certain circumstances. The Board frankly wonders if this request is designed to increase the penalty or deterrent, or, alternatively, to increase the employee's take-home pay as a sort of additional wage increase.

These remarks are particularly appropriate, in the Board's view, when one considers that there is a further deterrent to overtime in the prior agreement, which has already been discussed, under which the employers are limited to requiring an employee to work for 9 hours of evening overtime in a normal work week and 5 hours on any particular day.

In this Board's opinion, the request of the union is not reasonable when one considers the overall working conditions as set out in the former agreement and, especially, in the context of the recommendations of this Board. In this particular matter, what has occurred in other areas seems of no relevance to this Board (although it must be noted that there was no such evidence supplied to the Board by the union to support its request).

The Board therefore awards that Articles 13.06 and 13.07 of the former agreement be carried forward unchanged into the new agreement between the parties.

#### ARTICLE 13.09.

At present this article reads as follows:

"It is understood that all employees will work such overtime and perform such work as the Company may deem necessary to carry out its operations. However, it is also understood that the Company will not unreasonably deny a request from an employee that he be excused from overtime work or discriminated against any employee who requests to be excused from overtime work."

The union has requested:

- (a) That the article be prefaced with the words "Subject to the restrictions of Article 13.04;"
- (b) That the word "unreasonably" be deleted;
- (c) That a sentence be added to the end of the article which reads "No employee shall work overtime on the 4 - 12 shift."

The employers have disagreed with items (b) and (c).

In this Board's view, item (a) above has merit and the Board so awards.

The Board also points out that it has dealt with the question of an "unreasonable denial" of an employee's request in its comments on Article 13.05.

The Board can do no more than repeat these comments and make the same award in this instance, with the parties to resolve the appropriate wording in line with the Board's award.

This Board is of the opinion that it would be unreasonable and unfair to saddle the employers with the wording as set out in item (c) above. Such a blanket provision would not allow for situations in which unforeseen and unpredictable circumstances require immediate action.

The solution, in the Board's view, is to insert a provision reading as follows:

"Unless exceptional circumstances make overtime work absolutely necessary, no employee shall work overtime on the 4 - 12 shift."

#### ARTICLE 13.10.

The union has requested:

- (a) That this article be prefaced with the clause "Subject to the restrictions of Article 13.04" and
- (b) That a requirement of eight hours advance notice to employees for overtime work be inserted in this article.

This Board has already dealt with item (a) above in connection with Article 13.09 and awards that the union's request on this point be granted.

Initially, the union requested 48 hours' advance notice but subsequently reduced this to 8 hours.

The union's submission is based on the statement that in some instances employees are given very little notice

that they will be required to work overtime with consequent disruption of their lives.

The employers' position is that an absolute commitment to give 8 hours' notice at all times and under all conditions is completely impracticable having regard to the nature of the employers' businesses.

While this Board appreciates the disruption that can be caused in an employee's life when he is notified at the last moment that he must work overtime, it also notes that not one specific case has been brought to the Board's attention in which it was claimed that the employers failed to notify employees as far in advance as possible. This is all the more significant when one remembers that the last agreement was for a period of three years.

In the Board's view, it would be impossible for the employers to operate within such a provision due to the seasonable and interruptive nature of their business, their dependence on third parties, and the like.

The Board therefore denies the union's request under item (b) above.

#### ARTICLE 13.12.

This article deals with the prohibition of work being performed on a Sunday except in cases of emergency and examples of what constitutes an emergency are set out in the article.

The union now requests that "designated holidays" be added in this article.

At present an employee who works on a designated holiday receives double time for all work performed plus his regular holiday pay.

The employers propose the deletion of this article.

This Board cannot see any merit in either suggestion.

The Board would be loathe to delete the present article and allow the employers to schedule work on Sundays unless the most compelling reasons were advanced for such action.

No such reasons have been advanced and the employers' request is denied.

Similarly, the Board could not accede to the request of the union unless it could be clearly demonstrated that the employers were causing employees to work unnecessarily on designated holidays. With the provision, already established, as to rates of pay, the scheduling of unnecessary work would seem unlikely and the Board is not surprised that no evidence of such unnecessary work was brought to its attention.

The Board therefore denies the union's request.

#### ARTICLE 14.01.

At present this article provides that if an employee is assigned to a higher rated position for more than three working days he shall be paid at the higher rate for the full time he is so engaged.

The union seeks to amend this to provide that an employee who has previously qualified for the higher rated position will be paid the rate of the higher position thereafter upon assignment to it. The union also seeks to reduce the 3-day limitation to 2 days.

The employers have agreed to the reduction to 2 working days. The employers, however, disagree on the question of an employee having become "previously qualified"



and say that such assignments are in fact in the nature of training periods for many employees.

In the opinion of this Board the answer to this problem probably lies somewhere between the positions of the respective parties. In the Board's view, if an employee has filled a job classification for a reasonable period of time and is then reassigned to the same job classification at a later date it can hardly be said that he is receiving training. In the Board's view a further sentence should be added at the end of the former article, reading as follows:

"An employee who has previously qualified for the higher rated position by serving for 10 working days in that position will be paid the prevailing rate upon any subsequent assignment to that position."

The Board so awards.

#### ARTICLE 14.02.

At present this article reads:

"When an employee is appointed to supervisory work, as a working leader, he shall be paid an additional ten cents (10¢) per hour for such work."

Both parties apparently are prepared to leave the wording of this article as it is. However, the union wishes to have included in the article a definition of the words "working leader" so that there will be no uncertainty as to who falls into this category.

The employers, on the other hand, state that, since the position involves supervisory work, and since the circumstances surrounding such supervisory work vary almost infinitely, it is impossible to arrive at a definition which could be applied to all companies and all situations.

This Board is once again of the view that it does not possess the knowledge necessary to arrive at a definition as requested. And, further, that it is not a proper function of this Board to submit opinions on matter on which it is inadequately informed and not knowledgeable, in substitute for the views of the parties most capable of defining the position.

The Board is of the opinion that in any given area of disagreement on this point the parties have a remedy through resort to grievance procedures.

#### ARTICLE 14.05.

The union is requesting a new provision to the effect that an employee will be paid every second Friday, or one clear working day prior to a scheduled holiday if pay day falls on a holiday.

The employers advise that employees are now paid twice monthly although the actual day varies among the several companies. Further, the employers say that every effort is made to pay employees a working day in advance of any holiday. However, the employers are unable to agree, presumably because of the cost factors involved, to the specific request of the union.

It seems to this Board that this is a matter for frank discussion and co-operation between the parties, and not a matter which should be subject to decision by outsiders.

The Board, subject to the above comments, dismisses the union's request.

#### ARTICLE 14.06 - Automation and Mechanization.

#### ARTICLE 14.07 - Severance Pay.

The union has requested that new provisions be inserted in any new agreement between the parties to deal with what has become a major problem in labour-management relations throughout the western world -- automation and mechanization.

The union has also requested a provision relating to severance pay which, to some extent, goes hand in hand with the first request.

In its brief the union states:

"There has been agreement in principle by the Company for the introduction of a new clause to incorporate the objectives sought by the union. Nevertheless, we have included this new Article for the consideration of the Board because there is a wide divergence of views between the Company and the Union on the mechanics for implementing this plan. We feel that any recommendation from the Board would prove valuable to the successful conclusion of this part of any new agreement."

The employers, at the hearing, appeared to indicate that agreement in principle had not been reached. However, in the employers' brief it states:

"The employers submit that the union's proposal is not appropriate for inclusion in the collective agreement."

The Board will note that the union has also made a proposal governing severance pay which it seeks to have incorporated as Section 14.07. The employers consider the union's proposal in respect of new Sections 14.06 and 14.07 to be inter-related. Accordingly the employers contemplate submitting to the union, through the Board, a proposal which they believe constitutes a fair and reasonable compromise in respect to both matters in issue -- automation and mechanization and severance pay.

The employers wish to reserve the tabling of their proposal in connection with these matters until all other terms and conditions necessary to affecting a settlement have been determined."

While the company's proposal has not been tabled with the Board to the present date, the Board is of the view from the statements of the parties that there is not much separating them, in principle, on the question of implementing such a plan.

In this Board's view there can be no valid argument against the implementation of such a plan, although the form and procedures of the same may be open to many divergent viewpoints.

This Board's view of the matter can be stated briefly.

The employers state that the control of the work force, the introduction of new machinery, or procedures, the adaptation of old procedures to fit modern requirements,

are all matters which lie within management's sole discretion. This principle can be stated succinctly by saying that management not only has the right, but also the duty and obligation, properly and efficiently to manage the enterprise. It is difficult for any person who has considered this subject carefully and at length to find valid areas of disagreement with such views.

If this country is to advance, economically and socially, to that state which our people and our resources are capable and deserve, then it can only be accomplished by keeping pace with, or better, keeping ahead of those modern technologies already utilized by other nations.

It is not in the interests of employers, nor of employees, to tie management to the technology of the past. To do so, is to invite inevitable disaster.

On the other hand, what is the position to be for those employees whose labours have made possible the successes of their employers? Surely the benefits of technological change and the benefits of automation are not to fall only on management, no matter what the impact on the work force.

Enlightened management will undoubtedly acknowledge that their employees have an investment in the progress and success of the enterprise -- a vested interest, this Board would suggest, which grows with the years of service rendered.

These remarks, however brief, set out in essence the philosophy -- the frame of reference -- by which this Board feels it must be guided in its consideration of the matters here at issue.

The Board is of the opinion that it would be unfair to both parties if it imposed upon them a plan of its own choosing or its own devising. The Board says this for the simple reason that it does not possess the detailed knowledge of this industry requisite to the formulation of a proper plan.

The Board is satisfied that, if the parties are forced to work out their own plan in this area, it will be to the long term advantage of both. The one great danger, in the Board's view, is delay on the part of either, or both, of the parties.

The Board therefore awards:

- (a) That both parties shall forthwith agree, in principle, that a plan involving the subjects of automation, mechanization and severance pay will be implemented by them as part of their new collective agreement within the time limits hereinafter set forth. It is to be understood by the parties that the decision as to whether any technological change will or will not be implemented is a matter within the sole discretion of the employers.
- (b) That if the parties have not agreed upon the form of such a plan, and the rules and procedures of such a plan, by December 1, 1968, then the parties shall refer the matters referred to in this subparagraph to a single arbitrator for determination.
- (c) That if the parties are unable to agree upon a person to act as the said single arbitrator by December 15, 1968, then either party may request the Minister of Labour of Canada to appoint such an arbitrator.
- (d) The decision of the said arbitrator on the matters set forth in sub-paragraph (b) hereof, shall be final and binding on both the employers and the union.

- (e) The fees and costs of said arbitrator shall be borne and paid equally by the employers and the union.

#### ARTICLE 14.08 - JURY DUTY.

The parties are in agreement in principle on this article, but the wording of same has not been resolved.

A person called to report for jury duty does not necessarily receive the opportunity to perform such a function.

The Board is of the opinion, and it so awards, that the proper wording of this article would be:

"An employee who is required to absent himself from work to perform jury duty, or to report for jury duty roll call, shall be paid his regular wages for all regular hours of work lost, less the amount he receives for such duty. The employee will furnish the company with the necessary proof of loss and the amount of his compensation, if any, as a juror."

#### ARTICLE 15 - TERM OF AGREEMENT.

This Board is of the opinion after hearing the submissions of both parties that the new collective agreement should be for a period of two years from January 1, 1968 to December 31, 1969, with all awards and recommendations of the Board to be effective from January 1, 1968.

#### SCHEDULE "A" - OCCUPATIONAL CLASSIFICATIONS.

It would appear that there are differences, in some cases substantial, between the rates of pay for individual employee classifications as between the several companies. Further, there also appear to be difference as to the job or occupational classifications as between the several companies.

The union requested this Board to enter upon the task of standardizing both job or occupational classifications and rates of pay.

The employers disagree with the union's request, but at the hearings before this Board, the employers produced a supplemental submission which represents the employers' views, arrived at over a long period of time, as to the revisions which should be made with respect to the above matters.

This submission was given to the union at the hearing and it is fair to say that time was not available to the union properly to analyze and consider the same.

Once again, this Board is of the opinion that this is an area on which, for obvious reasons, it should not enter.

However, there is the danger of delay with resulting dissension and ill will.

The Board therefore awards:

- (a) That the parties will cause meetings of their respective bodies to be held with a view to resolving the foregoing matters.
- (b) That if the parties have not resolved all of these matters by December 1, 1968, then the parties shall submit the matter to a single arbitrator for determination.
- (c) That if the parties are unable to agree upon a person to act as the said single arbitrator by December 15, 1968, then either party may request the Minister of Labour of Canada to appoint such an arbitrator.



- (d) The decision of the said arbitrator on the matters in question shall be final and binding on both the employers and the union.
- (e) The fees and cost of said arbitrator shall be borne and paid equally by the employers and the union.

#### WAGE INCREASE.

We come now to what obviously is the thorniest issue between the parties.

The union has requested parity with the wage rates paid to employees of the terminal grain elevators on the West Coast.

As of December 1, 1967, the labour rate in the West Coast elevators was \$2.96 per hour while, under the former agreement between these employers and this union, the same classification as at December 31, 1967 earned a rate of \$2.30 per hour -- a spread of 66 cents per hour.

To this figure of 66 cents the union added a projection of approximately 27 cents per hour to offset the anticipated increase which it expected would be given for this year in the West Coast elevators, which the union based on a 9 per cent increase.

Then, in addition, the union added a cost of living increase of 5 per cent and, as well, the sum of 16½ cents per hour to compensate its members for the disparity in wage positions for the year 1967 between its rates and those of similar types of operations both in Eastern Canada and on the West Coast.

This resulted in a request by the union of a total wage increase of \$1.25 per hour, based on a one year agreement. This was subsequently modified by the union before the conciliation officer to \$1.25 per hour over a two-year period.

As indicated earlier in this report the parties never did enter into meaningful negotiations on this matter (among others).

However, before the conciliation officer, the employers made an offer of two increases of 21 cents each, based on a two-year agreement.

Without going into details of the discussions held by the Board with the parties, it is fair to state that neither party was prepared to make any substantial move from its former position, to reduce the disparity and bring hope of a settlement.

The problem is compounded by the fact that the last agreement between the parties was for a period of three years and under the wage provisions the progression was as follows: (In all cases these are general labour rates).

1964	1965	1966	1967
\$2.1359	\$2.19	\$2.24	\$2.30

It is obvious that, at a time when costs and wages elsewhere were spiralling, the members of this union were tied to an agreement which provided a wage increase of something less than 3 per cent per year.

In light of the above facts it is understandable that the union would prefer a one-year agreement and insist on a substantial wage increase.

The problem has been further compounded by the fact that in the same period of time employees in the same industry in both Eastern and Western Canada received increases which in some cases widened the existing differential between their rates of pay and that of the members of

this union, and, in other cases, overcame and surpassed the favourable differential at one time enjoyed by the members of this union.

For example, at the time this union signed the prior agreement which was effective for the years 1965 to 1967 inclusive, the wage situation in Eastern and Western Canada as compared with the Lakehead was as follows:

	1964
Lakehead	\$2.14
Montreal-Quebec	\$1.83 (average)
West Coast	\$2.48

This was the rate for general labourers. By 1967 the wage situation had altered greatly:

	1967
Lakehead	\$2.30
Montreal-Quebec	\$2.63
West Coast	\$2.96

From the foregoing it will be observed that in 1964 labourers at the Lakehead were some 31 cents per hour ahead of the same classification in Montreal-Quebec, but by 1967 they had fallen 33 cents per hour behind, a total drop of 64 cents.

Similarly, in 1964 the differential between the West Coast labourers and those at the Lakehead was 34 cents per hour which had increased to 66 cents by 1967.

Another view of the matter is that in the years 1965 to 1967 inclusive the labourers at the Lakehead received wage increases totalling 16 cents per hour while their counterparts in Montreal-Quebec in the same period received wage increases of 80 cents per hour and at the West Coast 48 cents per hour.

To magnify the problem further, even as this Board was holding its sittings, the union and the terminal elevator operators on the West Coast negotiated a settlement which provided, among other things, for a two-year agreement with wage increases of 25 cents per hour in each year. This represents a basic increase of slightly better than 8 per cent in each year, apart from other financial benefits.

The employers do not plead inability to pay as such. They do, however, express shock at being asked to grant a wage increase in excess of 50 per cent. In addition, the employers say that their offer represents an increase of 18.3 per cent over the said two-year period and that, in light of present economic conditions, and having regard to comparable wage conditions in the Fort William-Port Arthur community, their offer is fair and reasonable.

The Board feels that the employees at the Lakehead suffered to some extent as the result of having been captive to an agreement that was binding for a lengthy period of time and did not provide reasonable wage increases at a time when costs, and wages generally, were spiralling.

This is not the fault of either party since both sides negotiated in good faith and could not forecast the future economic picture. However, if any economic benefit accrued to anyone, and, obviously, it must have, it bypassed the employees. The Board does not say that the employers should be expected at this date to compensate the employees for this situation, any more that the employees should be expected to do the reverse in a year of falling prices and falling wages. However, the Board does feel that this situation must be taken into account, and given substantial

weight, in arriving at a fair and equitable wage increase. The Board's award, therefore, will reflect to some extent its view that adjustments must be made to bring the wages of these employees more into line with their counterparts in Eastern Canada and at the West Coast.

The Board is also aware that increases in wages resulting from various negotiated settlements during the past 6 to 8 months have been in the range of 6 to 9 per cent.

After careful consideration of all relevant matters this Board is of the opinion that wage increases should be granted as follows:

January 1, 1968 -- 35 cents per hour.  
August 1, 1968 -- 10 cents per hour.  
January 1, 1969 -- 15 cents per hour.  
July 1, 1969 -- 10 cents per hour.

The Board would point out that with so many points at issue between the parties that it is possible that some point has been overlooked. If such proves to be the case, the Board reserves to itself the right to make a recommendation concerning the same when it is brought to the Board's attention.

The Board expresses its appreciation to the parties for assistance which they have rendered to the Board.

June 22, 1968.

(Sgd.) R.A. Gallagher,  
Chairman.

#### REPORT OF J.W. HEALY, Q.C.

After a thorough perusal of the report prepared by the Chairman of the Board, dated June 22, 1968, and following consideration of all of the facts and circumstances in connection with these 10 disputes, as I understand them, I respectfully submit observations and recommendations as follows:

PART I - Without necessarily endorsing all of the statements of fact nor other observations made by the Chairman of the Board in connection therewith, I concur with the award or recommendation made by the Chairman of the Board in respect of each matter in issue dealt with in connection with the following:

#### PREAMBLE

- Article  
1.01(a) - Definition of bargaining agent and master mechanic.
- 1.05 - Union shop.  
1.06 - Union's responsibility for its members.  
1.09(b) - Crossing of picket lines.  
2.01 - Compulsory deduction of union dues.  
4.01 - Grievance procedure.  
5.01 - Procedures and arbitrability of company-union grievances.  
6.02 - 3 weeks consecutive vacation - May 1 to October 31.  
6.05 - Vacation term limited by amount of vacation pay.  
6.07 - 3 weeks consecutive vacation unless navigation is closed.  
7.01 - Number of holidays.  
7.04 - Observance of holidays which fall Saturday or Sunday.  
8.01(a) - Union approval of leaves granted by company.  
9.02(b) - Re probationary employee.  
10.02 - Chairman's recommendations except that relating to probationary period.  
10.05 - 5-day versus 2-day demonstration period.  
11.01(a) - Filling of vacancies and new positions.

- 11.01(b) - Time limits re posting of vacancies and new positions.  
11.01(c) - 10-day versus 2-day demonstration period.  
12.01(a) - Observance of Ontario and Canada Safety Statutes.  
12.01(b) - Ventilation of lunch rooms; install water coolers on each floor.  
12.02 - Medical benefits equivalent to P.S.I.  
13.02 - 40-hour guaranteed work week.  
13.05 - Shift premium and shift work.  
13.06 - Overtime at the rate of double time vs. time and one-half.  
13.07 - Overtime at the rate of double time vs. time and one half.  
14.02 - Definition of working leader.  
14.05 - Pay day every second Friday.  
14.08 - Full pay while on jury duty.

Part II With respect to the remaining issues, I recommend as follows:

Article 1.01 (b) - There should not be a provision in the collective agreements which would prevent employees outside of the bargaining unit from doing work normally or incidentally done by members of the bargaining unit. Such a provision would be unrealistic and at times impossible to comply with in view of practices which are necessary and in view of the fact that the companies' operations involving the receiving, handling, processing, storing and shipping of grain products are directly affected by decisions made and actions taken by the Canadian Wheat Board. The employers are licensed by the Board of Grain Commissioners and are governed by the Canada Grain Act.

ARTICLE 6.01 The Canada Labour (Standards) Code provides: "...every employee is entitled to and shall be granted a vacation with vacation pay of at least two weeks after every completed year of employment". "Year of employment" is defined as meaning "continuous employment



of an employee by one employer for a period of 12 consecutive months beginning with the date the employment began. . . ". The employers have offered to recognize 180 days of work in a year as constituting a year of employment. It seems to me that such an offer is generous. However, the offer could be construed as leaving in doubt the status of an employee who had completed the necessary service to qualify for 4 per cent, 6 per cent, or 8 per cent earnings as the case may be and subsequently worked fewer than 180 days in a year. In such a case it would be my recommendation that such an employee would continue to be entitled to the number of weeks of vacation and percentage of pay which he had previously attained.

I agree with the Chairman's recommendation in respect of employees with under one year's seniority and note that it is based on employment and completed service - not upon seniority.

I concur with the chairman's recommendation of three weeks of vacation after eight years, except I base my recommendation upon years of continuous service rather than seniority for the reasons given above.

I recommend that in respect of an employee who has completed 20 or more years of continuous employment (180 days of work) he be granted four weeks of vacation.

I concur with the Chairman's recommendation of five weeks vacation in respect of an employee who has completed 25 years - with the same reservation that the years should be measured as continuous service (180 days of work).

Of course the vacation pay should be 4 per cent, 6 per cent, 8 per cent or 10 per cent as the case may be of the previous years' earnings.

Article 6.06 I agree with the chairman's recommendation that the union's suggested amendment should be incorporated into the new collective agreements except that the percentage payment should depend upon the employee's length of continuous service.

Article 7.02 The employers have suggested amending this article so that it will conform to the requirement of the Canada Labour (Standards) Code which requires the payment of a holiday allowance for eight holidays provided the employee was entitled to wages for at least 15 days during the 30 calendar days immediately preceding the holiday. It can no longer be applicable since, inter alia, under that article the employee would be ineligible for payment if he failed to work on his last scheduled working day preceding, and his last scheduled working day succeeding, the holiday, unless he was absent for a reason normally covered by a leave of absence.

I would recommend therefore that the conditions established by the Code be incorporated into the new collective agreements.

Article 9.01 The union has proposed that an employee be considered a probationary employee until he has completed 60 days of work in 12 consecutive months. The employers have proposed that an employee be considered probationary until he has completed 60 days of work in a period of four consecutive months. The arguments of both parties had a considerable degree of persuasiveness and accordingly I would recommend that they compromise by providing that

an employee be considered a probationary employee until he has completed 60 days of work in a period of six consecutive months.

Article 10.02 As indicated earlier I am in agreement with the Chairman's recommendations in respect of this provision subject to modification as would be required by my recommendation respecting Article 9.01.

Article 10.04 I do not agree that it would be appropriate to provide notice of lay-off to probationary employees. By definition they are persons on trial pending decision by the employers as to whether they may be suitable for retention in employment. I do agree that regular employees are entitled to reasonable notice but persons who are only probationary are not entitled to notice since their employment may be terminated by the employer at will at any time and for any reason.

Article 13.01 With respect, I find the Chairman's recommendations in respect of this article difficult to follow and seemingly inconsistent one with another. He recommends against the use of the word "normal" in respect of the designation of hours where more than one shift is being worked. This seems to overlook the fact that the union's proposed Article 13.01 designates regular hours as "normal" and starting and finishing times as "normal". The companies were simply carrying forward the same concept in respect of shifts which would normally be in effect where more than one shift is being worked.

Similarly it is difficult to understand the recommendation against the employers regarding evening or night shifts during which no luncheon period is scheduled. By what reasoning does one distinguish between shifts when they are continuous? Further the chairman endorsed the companies' proposal to delete "closed navigation season" in regard to scheduling an 8 a.m. to 4 p.m. day shift for any or all operations and yet recommends that the employers' request regarding employees remaining at work until 7 p.m. be permitted only during the open navigation season. It is inconceivable to me that an employer could be so hamstrung particularly when one considers the requirements of maintenance and emergency repairs that may arise at any time in any season and considering the necessity from time to time to move grain as dictated by considerations beyond the control of the companies.

I note that the employers agree to the union's amendment provided that shift hours are designed as normal as operational requirements may dictate the scheduling of special shifts. The employers seek no change in the normal hours of work. The amendments they have proposed are designed to establish that the hours of work apply to all operations in all seasons. In addition the amendments proposed by the employers are essential in order to be consistent with the regulations governing overtime of the Canada Labour (Standards) Code. I recommend accordingly.

Article 13.03 (b) I recommend against this union proposal. It places a uniquely heavy burden on these employers. The guarantee of four hours work in the circumstances, the standard provision in collective agreements, provides adequate compensation to employees for inconvenience to

which they are put.

Article 13.04 (a) and (b) I would recommend that the union agree that the employers' proposal be accepted. I cannot agree with the Chairman's observations that the provisions of the Code were not designed or intended to apply to employees of this industry. There would seem to be no basis for such an observation and in any event this industry is bound by the provisions of the Code - which are restrictive in nature. The objective of the regulations is to ensure that during the averaging periods as provided by permits issued by the Department of Labour, no employee works more than an average of eight hours overtime per week. Surely it is only reasonable to make the necessary amendments to the collective agreements to enable the employers to operate within that very limited latitude. Accordingly I recommend the employers' proposal.

Article 13.04 (c) I recommend that this provision in the former collective agreements be deleted. It is no longer practical in view of the limitations imposed on employers by the requirements of the Canada Labour (Standards) Code.

Article 13.09 and Article 13.10 In view of my comments regarding Article 13.04, I dissent from the recommendation in the use of the words "subject to the restrictions of Article 13.04."

Article 13.04 I also can see no merit in the qualified prohibition against overtime on the 4 to 12 shift.

Article 13.12 I recommend that this section be deleted as being unduly restrictive and impractical.

Article 13.13 No recommendation was made upon this section by the Chairman. I recommend that it be deleted for the same reasons as given respecting Article 13.12.

Article 14.01 I note that the chairman has the view that if an employee has filled a job classification for a reasonable period of time and is then reassigned to the same job at a later date it can hardly be said that he is receiving training. If indeed he had occupied the occupational classification I would agree with the Chairman. However, prior intermittent work on certain assignments may constitute "filling" a job classification. Accordingly I disagree with the recommendation of the Chairman.

Article 14.06 and Article 14.07 The union's proposals in respect of automation and mechanization and severance pay were put before the Board. On the other hand the Board was advised that the employers wished to reserve the tabling of their proposals in connection with these matters until all other terms and conditions necessary to affecting a settlement had been determined. It seems to me that it is most inappropriate to suggest the ultimate disposition of this issue by arbitration when the Board is not even aware of whatever proposals the companies have in mind. In my opinion this issue should be resolved by the parties in the same manner as all other issues will have to be resolved as condition precedent to the execution of new collective agreements.

Article 15.01 The Chairman has recommended a term for the new collective agreements of two years from January 1, 1968 "with all awards and recommendations of the board to be effective from January 1, 1968". Certain provisions of the new collective agreements are capable of being retroactive in their effect. Others are not. The real effective date of a collective agreement is when it is made. To provide for an artificial earlier date is impractical and contrary to general custom. Further, and in view of my recommendations on wage increases which will be dealt with below, I recommend that the collective agreements should be effective for two years. Assuming that such agreement may be obtained without undue delay I would suggest an effective date of July 1, 1968 with the agreements expiring June 30, 1970.

#### Schedule A

The employers have offered to the union and submitted to the Board a wage schedule providing greater standardization of both occupational classifications and rates of pay than heretofore in effect. It is my recommendation that the parties negotiate and come to agreement on this matter.

#### Wage Increases

The Chairman has made reference to a period of some depression in rates as compared with increases in rates generally during the period of the preceding collective agreements. He has also stated that he is aware that increases in wages resulting from various negotiated settlements during the past six to eight months have been in the range of 6 per cent to 9 per cent. I would suggest that, on the average, recent increases have been within the range of 6 per cent to 8 per cent. It should be noted that what the companies have already offered represents an increase of 18.3 per cent on wages over two years and a further amount in excess of 6 per cent in respect of other cost items. An increase of 9 per cent for the first year of the agreements would be somewhat in excess of pattern settlements. This would amount to approximately 21 cents per hour on the base rate. I suggest that a further 14 cents per hour would be more than adequate to make additional allowance for increases during the term of the preceding agreements which were lower than pattern. In the second year of the collective agreement I would recommend a further amount in excess of annual increments being negotiated generally, i. e. 20 cents per hour.

Accordingly it is my recommendation that wage increases should be granted as follows:

July 1, 1968 - 35¢ per hour.

July 1, 1969 - 20¢ per hour.

The above recommendation represents an increase in wages of 24 per cent on the base rate over a period of two years from the effective date of the agreement which, together with cost items which have already been agreed upon or recommended herein, represent a total cost of some 30 per cent.

In lieu of claims for retroactivity I recommend that a lump sum payment of \$350 be made to each employee



employed on July 1, 1968 who has worked all of his regular hours between January 1 to July 1, 1968; and that a proportionate lesser amount be paid to those employed on July 1, 1968 who have worked fewer than all of the regular hours within the said period.

June 26, 1968.

(Sgd.) J.W. Healy,  
Member

#### REPORT OF J.S. WELLS

I regret that I am unable to concur with the report of the Chairman.

In preparing my report I have followed the format adopted by the Chairman. Where I agree with his disposition of a particular point at issue I have so noted, and where I disagree I have set out my reasons for doing so together with my recommendation for settlement.

For comparison, the recommendations of the Chairman with which I am in agreement are listed below according to their number in the collective agreement: preamble; 1.01(b); 1.05; 1.06; 1.09(b); 2; 4; 5.01; 6.02; 6.05; 6.06; 6.07; 7.03; 8; 9.01; 10.02; 10.05; 11.01(b); 11.01(c); 12.01(a); 12.01(b); 13.02; 13.03(b); 13.04(a); 13.04(b); 13.04(c); 13.05; 13.06; 13.07; 13.09; 13.10; 13.12; 14.01; 14.02; 14.05; 14.06; 14.07; 14.08; 15, schedule "A".

#### Preamble

I agree with the Chairman.

#### Article 1.01 (a) - Recognition

I agree with the Chairman.

#### Article 1.01 (b) - Work Ownership

I agree with the Chairman.

#### Article 1.05 - Union Shop

I agree with the Chairman.

#### Article 1.06 - Union Responsibility

I agree with the Chairman.

#### Article 1.09 (b) - Crossing Picket Lines

The union's desire to give support to members of unions who are conducting a legal strike is legitimate and perfectly understandable. The problem is both complex and contentious, however, and might well not be resolved by the proposed clause. For these reasons a solution should be postponed until some future time when fewer points are at issue between the parties.

I therefore agree with the award of the Chairman.

#### Article 2 - Deduction of Union Dues

I agree with the Chairman.

#### Article 4 - Grievance Procedure

I agree with the Chairman.

#### Article 5.01 - Arbitration

I agree with the Chairman.

#### Article 6.01 - Vacations and Vacation Pay

I agree with the findings and awards of the Chairman in respect of the basis of calculating vacation entitlement, the long service vacation entitlement, and vacation pay for long service employees and employees with under 1 year's seniority. I do not agree with his award covering vacation entitlement for employees with under 1 year's seniority.

In his remarks concerning calculation of vacation entitlement, the Chairman states very clearly the reasons for continuing the present method based on years of seniority. He then proceeds to apply that method in respect of long service employees, but abandons it for employees with less than 1 year's seniority. No reasons are given for not implementing his own award for the second group.

The consequences, however, are clear. At present, an employee is entitled to 5 days of vacation after as little as 60 days of work in the previous calendar year. As a result of the award, the same employee must have 10 months of completed service in order to qualify for 5 days' vacation.

In addition to the above, the Chairman's award provides 4 per cent of total earnings in the previous calendar year for vacation pay. In fact, the 4 per cent figure was agreed to by both the union and the employers in their submissions to the Board. This means that an employee with, not 10, but 6 months completed service in the previous calendar year will receive 5 days' vacation pay. Obviously then it would cost the employers nothing to grant such an employee 5 days' vacation as well. Moreover, the Chairman has elsewhere awarded the retention of Article 6.05 which provides that an employee not be required to take more vacation than that for which he has earned vacation pay. While it seems unlikely that an employee with under 6 months' completed service would want a full week's vacation, it remains true that even if he did it would not add to the employers' labour cost.

In light of the foregoing, I recommend that Article 6.01 (a) of the present agreement be amended to read as follows:

In respect of an employee who has seniority of less than one year: one week of vacation and vacation pay equivalent to 4 per cent of his total earnings for the previous calendar year.

#### Article 6.02 - Normal Vacation Period

In view of the longer vacations awarded under Article 6.01 it would be logical to raise from 3 to 4 the number of weeks that may be taken during the open navigation season. Having arranged to replace a man for 3 weeks, it is difficult to see what additional costs, inconvenience or disruption would be involved in extending the period to 4 weeks.

However, as the employees have obtained a significant improvement in vacations under the award, I agree with the

Chairman's denial of the union's request, at this time, in order to facilitate a general settlement.

#### Article 6.05 - Reduced Vacations

I agree with the Chairman.

#### Article 6.06 - Vacation Pay upon Termination of Employment

I agree with the Chairman.

#### Article 6.07 - Consecutive Weeks of Vacation

I agree with the Chairman, but repeat my observations under Article 6.02.

#### Article 7.01 - Holidays

The present agreement provides eight holidays. The union requested four additional holidays and the employers offered one.

Agreements at terminal grain elevators in Montreal and Quebec City now provide nine holidays and soon will be subject to re-negotiation.

Major West Coast elevators including some owned by companies before this Board provided nine holidays and two half-holidays until recently, when 10 days were agreed to in negotiations.

Employees of the Canada Malting Company in Port Arthur receive 10 statutory holidays and, in the Lakehead community, some 1150 public employees receive 10 holidays and a further 380 employees enjoy 11 holidays.

Reviewing all of this evidence, I recommend that Boxing Day and one other day to be agreed upon be added to the list set out in Article 7.01.

#### Article 7.02 - Qualification for Holiday

I agree with the Chairman.

#### Article 7.04 - Holiday on Saturday or Sunday

The union has requested a new provision reading as follows:

If a holiday falls on a Saturday or Sunday, the following Monday shall be the designated holiday.

Of the holidays listed in Article 7.01, Christmas Day, New Year's Day, Remembrance Day, and Dominion Day may fall on Saturday or Sunday. The first three of these occur during the closed navigation season and therefore should present no difficulty. Dominion Day occurs during the open season but not at a peak period.

The inclusion of Boxing Day will add a fifth day, but it too occurs during the closed navigation season.

The inclusion of a tenth holiday could add a sixth day to the list of holidays that may occur on a weekend depending upon which day is selected.

The desire of the employees to actually receive a day off on a statutory holiday is understandable, as is the reluctance of the employers to either shut down their operation or pay triple time during the busy season. A sensible compromise would seem to be provided by inclusion of the following Article 7.04:

If a holiday falls on a Saturday or Sunday, the day observed by the Federal Government in respect of its own employees shall be the designated holiday under this agreement.

#### Article 8 - Leave of Absence

I agree with the award of the Chairman.

Despite the fact that the union indicated acceptance in its brief, I am unhappy that the wording of 8.01 (c) as proposed by the employers has been awarded by the Board. By requiring annual renewal of a full time union official's leave of absence the provision places an important instrument of control - or suspicion of control - over union affairs in the hands of the employers. That is finally to the advantage of neither party and I urge them to consider alternative language along the following lines:

An employee elected to an official position with the union shall be granted leave of absence for union business, during which time his seniority will accumulate.

#### Article 9.01 - Probationary Employee

I agree with the Chairman.

#### Article 9.02 - Probationary Employee Entitlements

I agree with the Chairman in respect to Article 9.02 (a).

I do not agree with the Chairman that no probationary employee should have his dismissal subject to the grievance procedure. A distinction must be made between probationary employees who have never worked for a terminal grain elevator in the Lakehead district and those who are probationary employees by virtue of having transferred from one company to another. In cases of the former the award of the Chairman is in order. In cases of the latter the proposed Article 9.02 (b) is insufficiently flexible. I therefore recommend the following wording:

"Notwithstanding any other provision of this agreement, a probationary employee shall not be entitled to:

(a) .....

(b) Have his dismissal subject to the grievance procedure unless he had previously been a regular employee of a company covered by this agreement."

#### Article 10.02 - Seniority

I agree with the chairman.

#### Article 10.04 - Notice of Lay-off

In their submission to the Board the employers argued that "circumstances beyond the reasonable control of an employer may make it completely impracticable to give more than a few hours notice "of lay-off. I am not impressed by this claim which is nothing more than the standard reflex response of all employers to a request of this nature. There is every reason to expect an employer to be informed about the late arrival of a ship, or to make



arrangements for such information. In other cases the feasibility of adequate notice is even more obvious. As the Chairman notes elsewhere, "To require management to exercise its abilities to make its operation as efficient as possible and thus disrupt its employees' lives to the least possible extent, does not seem unreasonable to this Board."

I therefore recommend that the union's request be granted.

#### Article 10.05 - Test Period

I agree with the Chairman.

#### Article 11.01 (b) and 11.01 (c) - Job Posting

I agree with the Chairman.

#### Articles 12.01 (a) and 12.01 (b) - Lunch Room and Sanitary Conveniences

I agree with the Chairman.

#### Article 12.02 - Hospital and Medical Benefits

The point at issue has nothing to do with the relative contribution of either party to the cost of benefits provided. Both sides agree that this should remain at 66 2/3 per cent by the company and 33 1/3 per cent by the participating employee. For the Board to raise this question merely confuses the problem.

The dispute centres entirely on the word "equivalent" where it appears in the present agreement: "or a medical plan providing equivalent benefits". The employees propose that this be replaced by the word "comparable". Neither word is precise in its meaning and, indeed, no quantitatively exact statement of equivalence or comparability can be given before or after the fact.

I see no substantive differences of any importance between the two words, but I tend to favour the employers' suggestion, and I so recommend.

#### Article 13.01 - Schedule of Shifts

I agree with the award of the Chairman that the wording, "where more than one shift is being worked the hours of such shifts shall be 12 a.m. to 8 a.m., 8 a.m. to 4 p.m., 4 p.m. to 12 p.m.", as proposed by the union should be adopted.

I agree with the award of the Chairman that the words "evening or night" as proposed by the employers should not be included. I also note in passing that this does not constitute a gain for the employees as there has never been a luncheon period on those shifts.

I can see no real dispute over the scheduling of an 8 a.m. to 4 p.m. day shift without a luncheon period, since the company appears to have the general right both in the present agreement and in the union proposal.

I am strongly opposed to the extension of the normal working day beyond 6 p.m., and to deletion of the reason for such extension, as requested by the employers. If, and when, this is necessary it is entirely reasonable to release the man for supper and recall him for 6:30 p.m. as provided elsewhere in Article 13. I therefore so recommend.

#### Article 13.02 - Guaranteed Work Week

I agree with the award of the Chairman.

#### Article 13.03 - Commencement of Day

I agree with the Chairman.

#### Articles 13.04 (a) and 13.04 (b) - Overtime Limitation

I agree with the Chairman.

#### Article 13.04 (c) - Distribution of Overtime

I agree with the Chairman.

#### Article 13.05 - Shift Premium

I agree with the Chairman.

#### Article 13.06 and 13.07 - Overtime Rates

I agree with the Chairman.

#### Article 13.09 - Exemption of an Employee From Overtime

I agree with the Chairman.

#### Article 13.10 - Notice of Overtime

I agree with the Chairman.

#### Article 13.12 - Sunday Work

I agree with the Chairman.

#### Article 14.01 - Assignment to Higher Rated Position

I agree with the Chairman.

#### Article 14.02 - Supervisory Work

I agree with the Chairman.

#### Article 14.05 - Pay Day

The desire of employees for a standard interval between pay days is entirely understandable. Persons with relatively low incomes commonly experience difficulty in budgeting variable amounts across variable periods of time, which is the normal consequence of semi-monthly pay dates.

I am also of the opinion that having made the initial adjustment the employers will find that the standard period and standardized wages and salaries will result in lower accounting costs.

I therefore recommend that the parties establish a joint committee to resolve the details of introducing regular pay days. However, in light of Board recommendations that will require extensive discussions between the parties, I do not recommend any specific date for final determination.

Article 14.06 and 14.07 - Automation, Mechanization and Severance Pay

I agree with the Chairman.

I am also aware that employees of McCabe Grain Company Limited have been adversely affected by its ceasing to operate a terminal grain elevator. It would be unreasonable to expect these ex-employees to await final settlement of this article in order to obtain the benefits to which they will be entitled under the award of the Chairman as set out in the preamble. I therefore recommend that that company and the union conclude a preliminary agreement, subject to later adjustment, within one month of signing the new collective agreement.

Article 14.08 - Jury Duty

I agree with the Chairman.

Article 15 - Term of Agreement

I agree with the Chairman.

Schedule "A" - Occupation Classifications

I agree with the Chairman.

WAGE INCREASE

The demand by the union was initially for an increase of \$1.25 per hour for all rates covered by the collective agreement over a period of 1 year. The employers made no initial offer.

Before the conciliation officer the union lowered its demand to \$1.25 per hour over 2 years and the employers made an offer of 21 cents per hour in each of two years.

The respective positions were not altered during the hearings of the Board.

Since the difference between the parties remains so great, the Board cannot be deemed to be discharging its duties properly if it merely strikes some arbitrary figure between the limits and awards that amount. It is incumbent upon us to determine some relatively objective measure against which the wages of these employees may be tested.

There is, of course, no single unequivocal test to which the Board may appeal; if one did exist the need for conciliation boards would be largely eliminated. At times, and under certain circumstances, such factors as the "cost of living", productivity, and ability to pay may be more or less important. At all times particular importance must be given to the relationship of the group in question to a group of closely similar employees elsewhere - a comparison of like with like.

In the present case this would appear to be an especially attractive approach inasmuch as both parties supported the principle in their submissions to the Board. For its part the union sought "to achieve wage parity with that paid his opposite number at the Pacific Coast", while the employers argued for "wage rates comparable to those generally prevailing in the community of Fort William - Port Arthur for employees performing the same or substantially the same work."

Considering first the wage comparison advocated by the employers, no factual evidence was offered in support

of the general claim, either with regard to relative positions at termination of contract or to the growth that might be expected during a two-year contract period.

Wage rate data published by the federal Department of Labour includes three classifications in the Lakehead region that are found in terminal grain elevators. These are electrician, millwright and general labourer. In addition, the collective agreement lists at least fifteen other job classifications for which the Department publishes no date at all. For the three groups that may be comparable, the following range of hourly wage rates prevailed in the Fort William - Port Arthur community as of October 1, 1967:

	<u>Elevators</u>	<u>Department of Labour</u>	<u>Builders' Exchange</u>
	(\$)	(\$)	(\$)
Electrician	2.57-3.05	2.51-3.72	Unknown
Millwright	2.67-3.17	2.60-3.53	Unknown
General Labourer	2.30	2.06-2.48	2.85

Short of an exhaustive and time consuming study that is quite beyond the competence of the Board to undertake, it is impossible to say which - if any - of the various possible comparisons would be appropriate. Given the importance to Canada of grain exports, the seasonal nature of the work and the employers' explicit disavowal of inability to pay, it may well be that top rates should be paid to terminal grain elevator employees. This would imply immediate increases of up to \$1.15 for electricians, up to 86 cents for millwrights, and up to 55 cents per hour for general labourers.

And it must be noted that none of the above includes any allowance for further growth during 1968 and 1969.

Turning now to the comparison supported by the union. It is impossible to accept the union's contention that only wage rates paid by terminal grain elevators on the Pacific Coast should be considered. If a comparison of elevators is fair at all - and I believe it is - then all such elevators must be included, not just those where the highest rates are paid. On this basis the comparison would be between terminal grain elevators at the Lakehead, on the one hand, and those at Quebec City, Montreal and the West Coast, on the other.

The main virtue of this approach is that we can be reasonably certain that the range of job classifications and the wage structure will be similar at all points. Because of this it is then possible to select a single job classification chosen is that of general labourer, and the results are as follows:

	<u>Wage Rate at End of Lakehead Contract</u>	
	<u>1964</u>	<u>1967</u>
	\$	\$
Lakehead	2.14	2.30
Montreal-Quebec average	1.83	2.63
West Coast	2.28	2.96

	<u>Difference from Lakehead Rate</u>	
	<u>1964</u>	<u>1967</u>
	(¢)	(¢)
Montreal-Quebec average	31	33
West Coast	34	34



The relative position of Lakehead employees deteriorated strikingly during the three years of the previous collective agreement. This did not take place through any failure to negotiate effectively; rather, it was because the settlement was reached prior to the pattern of large wage adjustments that began to emerge in late 1965 and which affected Montreal, Quebec and the West Coast but could have been foreseen by the union.

Examination of the above figures reveals the outlines of a fair and just settlement of the wage dispute. Ultimately, one should expect equality of rates for like job classifications at all terminal grain elevators. Since different unions and, to some extent, different companies are involved this cannot be achieved in a single step, but the disparities can be prevented from getting worse. One possible solution would be to establish the rate midway between the Montreal-Quebec and West Coast rates. This would require a rate of \$2.80 for general labourers and would call for a general increase of 50 cents per hour. Four factors support an immediate increase somewhat in excess of this amount.

- (a) The bulk of our grain exports are through the Lakehead elevators.
- (b) A number of the companies before the Board also operate elevators on the West Coast.
- (c) The employers have conceded ability to pay.
- (d) A new contract has recently been signed on the West Coast while those at Montreal and Quebec City will soon be opened for re-negotiation.

For these reasons I would recommend a general labourer rate of \$2.86 per hour and a general increase of 56 cents per hour as of the start of the new contract.

In addition to the above basic adjustment needed to reduce disparities that existed at termination of the previous contract period, a further amount must be included to compensate for known and anticipated increases at the other points during 1968 and 1969. For 1968, there are known increases of 20 and 25 cents per hour at Quebec and Montreal, respectively. The new West Coast contract provides for an increase of 25 cents per hour in 1968 and a further 25 cents in 1969. We may therefore reasonably anticipate a uniform increase of 25 cents per hour in Eastern Canada for 1969.

The inescapable conclusion is that a total increase of less than 83 cents per hour would leave Lakehead employees still behind their counterparts at Montreal - Quebec at the end of 1969. More specifically, an award of only 70 cents per hour would leave them 13 cents in arrears. Such a result must be unacceptable.

After due consideration of all of the foregoing I recommend the following increases in wage rates:

January 1, 1968	--	56 cents per hour
May 1, 1968	--	25 cents per hour
January 1, 1968	--	15 cents per hour
July 1, 1969	--	10 cents per hour

June 26, 1968.

(Sgd.) J.S. Wells,  
(Member)

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Report of Board of Conciliation and Investigation established to deal with dispute between

National Harbours Board (port of Montreal)  
and  
National Syndicate of Employees of the Port of Montreal

The Board of Conciliation and Investigation established on February 6, 1968 to examine the dispute involving the Syndicate and the Board was under the chairmanship of Judge Jean-Paul Noel and the other members of the Board were Mr. Robert Hainault, company nominee, and Counsel Claude Saint-Arnaud, union nominee, both of Montreal

The Board members were sworn in on March 15, 1968, and held two meetings on the same day for the purpose of establishing the procedure to be followed.

The Board met for 23 days and held 46 sittings.

After having worked with sincerity, impartiality, much

patience and eagerness, we are pleased to inform you that a new agreement project has been accepted unanimously.

Montreal, August, 1, 1968.

(Signed)	Jean-Paul Noel, Chairman
(Signed)	Claude Saint-Arnaud
(Signed)	Robert Hainault members

Report of a Board of Conciliation and Investigation established to deal with dispute between:

TransAir Limited, St. James, Man.  
and  
Canadian Air Line Flight Attendants Association

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The Board of Conciliation and Investigation was under the chairmanship of W. Steward Martin, Q. C. , Winnipeg, who was appointed by the Minister on the joint recommendation of the other two members of the Board, H. B. Monk, Q. C. , and A. A. Franklin, nominees of the company and union respectively. The majority report was made by the chairman and Mr. Monk, and was received by the Minister in August.

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Sittings of the Board were held at Winnipeg, Manitoba, on July 17 and 18, 1968. Both the Association and the Company submitted extensive and well documented submissions, setting forth the matters at issue. After hearing the written submissions by the parties concerning the matters at issue, and the positions taken by the parties concerning these issues, the Board pursuant to its statutory obligations attempted to conciliate a settlement. The Board's efforts in this direction were unsuccessful.

#### Background

The negotiations between the parties arose out of an attempt to renegotiate certain terms and conditions as set forth in a collective bargaining agreement which expired on December 31, 1967. Negotiations between the parties occurred toward the middle of December last and continued into January and February of this year. A conciliation officer was appointed under the provisions of the Industrial Relations and Disputes Investigation Act but was unable to resolve the differences between the parties.

There are approximately 31 employees within the certified bargaining unit, which comprises the stewardesses employed by the Company in connection with the Company's scheduled and non-scheduled flights emanating principally from Winnipeg.

#### Issues in Dispute

The parties through direct negotiations were able to resolve certain of the outstanding issues. The Board was requested to report and recommend concerning the following, which constitutes the demands of the Association on a one year contract, from January 1, 1968 until December 31, 1968.

1. A 17 per cent wage increase in wage rates;
2. A sixth and seventh year wage scale;
3. Excess flying hour scale to be at pro rate rates;
4. The inclusion of a one-in-four formula in the collective agreement;
5. Cab allowance of \$2.00 to and from the Winnipeg airport.

#### Duration of Agreement

As noted, the Association has requested a one year agreement, which is to expire on December 31, 1968. At the present date an agreement of this duration would have approximately five months to run. Under the terms of an agreement of this duration the parties could again be at the

bargaining table in approximately three months. It is felt that it is to the mutual interest of the parties to enter into an agreement for a period expiring on December 31, 1969. An agreement of this duration would enable the parties to mutually enjoy a period of more extended stability and would place this Board in a position where it can assess the ramifications of the Association's demands within a broader purview.

#### Recommendation

Thus the Board recommends that an agreement be dated effective from the date of signing, to expire on December 31, 1969. A wage adjustment, as hereinafter set forth, to be applicable to all employees within the bargaining unit employed by the Company at the date of signing.

#### Wage Increase

The Company, in its brief submitted to the Board, indicated that it had offered the employees within the bargaining unit a 5 per cent wage increase retroactive to January last, on the basis of a one year agreement. The Company alleges that this wage increase is higher than the increase in the cost of living since the signing of the 1967 agreement. It is further alleged that this wage increase would establish, for the employees concerned, a rate per flying hour higher than the average for regional carriers in Canada. It may not be unreasonable to say that the Company in offering this wage increase to its stewardesses is cognizant of the fact that there are three other collective bargaining agreements expiring between May 31 and December 31 of this year. The Company's brief notes: "It should be noted therefore that the stewardesses constitute only 10.5% of the Company's employees covered by collective agreements and yet any increase they receive is destined to affect the other 90% as well."

This Board is formulating its wage recommendations to the parties recognizes that the type of work performed by employees engaged in the maintenance department, traffic department, and the flight crews vary substantially from the work performed by the stewardesses and, therefore, the wage settlement recommended for the stewardesses should in no way influence or prejudice the other independent collective bargaining negotiations that the Company may be involved in during the currency of the year.

In the opinion of the Board, the proper criteria in the assessment of the wage issues is, in specific terms, related to the wages being paid to other stewardesses doing



comparable work, and in more general terms the type of wage settlements that have been established in the Greater Winnipeg area, as evidenced by current Collective Bargaining Agreements. By way of supplementary submission the Company tendered to the Board evidence setting forth the current wage schedules of other regional air carriers, namely, Eastern Provincial Airlines, Quebec Air, Nordair and Pacific Western Airlines. A review of this evidence indicates that at the present time the wage rates paid by these carriers are approximately in line with the wage rates offered by the Company. However, it is important to note that under the Pacific Western Airlines agreement a substantial wage increase will be implemented on August 31st next. It is also important to note that the Quebec Air agreement expired on February 28, 1968, and negotiations are in progress. Furthermore, it should be noted that the Nordair agreement expires on September 30, 1968. Thus, on the basis of this evidence, the only wage pattern evidencing itself into the future is provided by the Eastern Provincial Airlines agreement, which indicates wage rates of approximately the same magnitude as offered by the Company, and the salary schedule applicable to Pacific Western Airlines which will, as of September 1, 1968, create a wage structure higher than the salary offer made by the Company.

The Company in its submission filed its current financial statement, which indicates that the Company is not enjoying profitable operations at the present time.

The Association in its wage submission to the Board compared TransAir wage structure with the Air Canada wage structure and the Pacific Western Airlines wage rates. The Association argues that TransAir should be prepared to pay the same rates as paid by Air Canada, particularly in light of the fact that TransAir has taken over certain of Air Canada's regional routes.

Without assessing the equities of wage parity between TransAir and Canada's two main lines and international air carriers, it must be noted that historically there has been a wage differential retained between the regional air carriers and the two largest national and international carriers. Also, in assessing the question of wage adjustment for the stewardesses, this Board must take cognizance of the ability of the employer to implement a substantial wage increase on the basis of the present wage rates paid by Air Canada and TransAir. A parity position would require an average wage increase in excess of \$150.00 a month. An increase of this magnitude would clearly be beyond the financial capabilities of the employer.

This Board has noted the fact that Air Canada stewardesses received a wage increase of approximately 15 per cent over a two-year period; Likewise Pacific Western Airlines stewardesses received a similar percentage increase over a like period. Air Canada's operation is overwhelmingly larger than the TransAir operation. It would appear that Pacific Western Airlines operation is approximately three times the size of TransAir's operation. Thus, in light of the well established historical differential in wage rates between the main line carriers and the regional carriers, this Board feels that guidance can be obtained from a consideration of the same type of percentage increase as granted to the stewardesses of the larger Canadian airlines. Assessing a 15 per cent wage increase over an effective term of less than a year and a half, in light of the general pattern of wage increases obtained by

organized workers in the Greater Winnipeg area, it would appear that this percentage wage increase is slightly higher than the average settlement. Bearing in mind that TransAir is a Winnipeg based airlines, and that there is no other comparable group of employees employed in this area - with the exception of stewardesses engaged by Air Canada and Canadian Pacific Airlines - it would appear that reference to the average wage settlement promulgated in this area provides a relevant criteria.

#### Recommendation

Therefore, this Board recommends that employees employed by the Company at the date of the signing of the collective bargaining agreement shall receive a 5 per cent wage increase retroactive to January 1, 1968, a further 5 per cent increase effective from the date of the signing of the collective bargaining agreement, which increase shall remain in effect until January 1, 1969, with a further 5 per cent wage increase to be implemented at that date.

#### Sixth and Seventh Year Wage Schedules

The Association argues that Air Canada and Pacific Western Airlines recognize in their wage schedules an escalation of wage rates up to the seventh year, while TransAir implements the maximum wage rate after a stewardess has had five years service. The Association in its brief did not provide any evidence to this Board indicating that the value of a stewardess to an airline employer, and more specifically to TransAir, increases as the years of service increase. The Company argued that the efficiency and experience of a stewardess does not increase beyond the five year term. Thus, it would appear to the Board that the Association has not discharged an onus placed upon it to satisfy the allegation that enhanced compensation should accrue to flight attendants with six and seven years service. Conceivably the employment conditions existing in other airlines may justify the payment of higher rates to stewardesses with six or seven years service. However, it should be noted that the operational conditions existing among the various regional and main-line international carriers do vary. For example, the route structure of TransAir's scheduled operations rarely requires stewardesses being away from home for extended periods of time. The seniority rights under the agreement enable senior stewardesses to bid for Dew Line flights, where many hours of flying time are consumed in long distance direct flights without the extra work load of facilitating passenger comfort and safety, factors which very often characterize the responsibility of a stewardess in relatively short flights. Thus, it would appear that a benefit accruing to senior stewardesses arises out of the opportunity to bid for Dew Line flights in which the required monthly flight time can be attained in approximately four days absence from Winnipeg a month. This observation by the Board is designed solely to emphasize the importance of the Board being provided with specific information to assess the Association's request for the extension of the maximum stewardess pay to seven years service.

#### Recommendation

The Board therefore recommends that the parties accept a maximum stewardess wage scale after five years

service, as presently set forth in the collective bargaining agreement.

#### Excess Flying Hour Scale

Under the existing wage schedule the monthly wage rates as set forth in the Collective Bargaining Agreement constitutes a minimum guaranteed salary for flying time up to 70 hours per month. TransAir stewardesses may be required to fly 90 hours per month. Any hours above 70 are compensated for by the employer on an hourly rate, determined by dividing the applicable monthly rate by a divisor of 75. In other words, in a case of a stewardess flying 84 hours a month, which appears to be the current average flying time for stewardesses, the compensation per hour for the first 70 hours is greater than the compensation for any hours that may be required in excess of 70 hours. In the opinion of the Board, it appears to be inequitable for an employee to perform work in excess of 70 hours a month at an hourly wage rate of less than the wage rate applicable during the 70 hour period.

#### Recommendation

Therefore, the Board recommends that the excess flying hours scale be computed on the basis of a divisor of 70 instead of the present divisor of 75.

#### Inclusion of a One-in-four Formula

It appears that in the aircraft industry the basic unit of measurement in determining the monthly working schedule of a stewardess is the "flying hour". Scheduled duty time, as distinct from flight time as defined in the collective bargaining agreement, includes all time commencing one hour prior to flight departure until 15 minutes after flight arrival and includes all scheduled stops. Scheduled duty time does not include actual duty which can extend scheduled duty by virtue of delays due to weather, mechanicals, equipment shortages, landings at off route points, time spent waiting to deadhead, or other conditions which result in deviation from scheduled duty. These problems, and other associated problems, have resulted in the establishment by the aircraft industry of certain supplementary measures of compensation. Conditions can arise where the time lapse of a trip can substantially exceed the flight time. The Association pointed out in its brief that the one-in-four concept, which in essence guarantees one hour's flying credit for each four hours away from home, or the actual flight time whichever is greater, is recognized by the three largest Canadian carriers: Air Canada, Canadian Pacific Airlines, and Pacific Western Airlines. The Association alleges that the one-in-four clause, or variations of it, is standard practice in industry usage in United States and Canada. The Association's brief sites the recommendations of two prior conciliation boards that subscribed to this principle. In summary the Association alleges that the introduction of the one-in-four clause will provide a safeguard through compensation against unwarranted delays.

The Association drew to the Board's attention a situation where a stewardess was held over at a Dew Line location for a period of 10 days and merely received credit for flight time, being in a position upon return where she had to make up flight time lost because of the delay.

The Board emphasizes that the one-in-four formula may be practical, desirable and workable, in light of the operating conditions of other airlines. This does not mean that this precise formula necessarily constitutes a mutually reasonable formula as far as the employer and the employees involved in this dispute. For example, at the present time TransAir's non-scheduled flight operations may involve chartered flights outside Canada. It is well known in advance that an aircraft will be flying to a certain designation and will be staying at that designation during the full stay with the passengers. A flight attendant who bids for this type of work bids with the full knowledge that there will be a stayover, at the Company's expense, at some location which she may find thoroughly enjoyable. Under these circumstances it may be argued that it is unreasonable to suggest that this situation should be further enhanced by the imposition of the one-in-four formula.

On the other hand a stewardess may bid for a Dew Line flight anticipating that she will be able to log a large number of flying hours in a short time. Due to circumstances beyond control, through weather or mechanical problems, the flight may be detained at a Dew Line location for many days. Stewardesses bid for this type of flight with full knowledge that there may be delays. The evidence tendered to the Board indicates that on only one occasion has there been an extended delay as referred to above, and that such delays are not common. Dew Line flights are attractive to stewardesses because, if there are not delays, they accumulate extensive flight hours in a relatively short time.

It is, therefore, the view of the Board, that the one-in-four formula should not be applied to the Company's operations, as requested by the Association.

#### Cab Allowance

During the course of the hearing the Company tendered to the Board a grievance filed on behalf of the Association in connection with the Company's unilateral decision to discontinue cab allowances. The Company has re-established a policy concerning the granting of cab allowance, which appears to more than meet the requests of the Association, as set forth in the said grievance in this matter.

The Board therefore recommends that the Company's policy on cab allowances remains operative during the life of the current agreement, as set forth in the Company's proposal dated July 18, 1968, attached hereto as Schedule "A".

#### Observations

As noted earlier the Association was hesitant to enter into a two-year collective bargaining agreement because the inauguration by the Company of two new turbo jet aircraft in August may impose substantial variations on the working conditions and responsibilities required of stewardesses. The Association feels strongly that the new conditions that may be imposed by the use of these aircraft should be subject to negotiations between the Company and Association. The Company maintains that these two new aircraft will require the same type of work duty by the flight attendants as required in the operation of the Company's Viscount aircraft. It would appear that there will be some variations in the duties and responsibilities of stewardesses if the Company is granted a liquor license for



in-air liquor service. It is in the interest of good labour management relations for the parties to meet, when experience has been gained, to establish fair and reasonable duties and responsibilities in connection with the operation of the two-new aircraft.

By letter dated February 6, 1968, F.C. McKay, secretary of TransAir Ltd., recorded an agreement with the Association to the effect that "meetings to start 30 days after aircraft goes into service, upon receipt of notice from either party." This understanding was confirmed by Mr. R.R. Smeal, business manager for the Association, by letter dated February 19, 1968.

The Board is of the opinion that the parties should implement the terms of this agreement.

(Sgd.) W.S. Martin,

Henry B. Monk,  
Member.

Winnipeg, August 13, 1968.

#### SCHEDULE "A"

##### Proposal re Transportation Allowance

On the recommendation of the Chairman of the conciliation Board the Company agrees to modify its current administrative regulation on transportation allowance at the Winnipeg Terminal as it affects the stewardesses as

1. One way cabfare up to a maximum of \$2.00 will be allowed for all flight assignments on scheduled flights.
2. Two way cab fare up to a maximum of \$2.00 will be allowed for all Dew Line flights and other charter flights in excess of 24 hours.

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# CONCILIATION BOARD REPORTS

Conciliation Board Reports in disputes between

Canadian National Hotels Limited (Chateau Laurier Hotel, Ottawa) and  
 Canadian Brotherhood of Railway, Transport and General Workers  
 Nordair Limited and International Association of Machinists and  
 Aerospace Workers  
 Polymer Corporation Limited and Oil, Chemical and Atomic Workers  
 International Union  
 Shipping Federation of Canada Inc. and International Longshoremen's  
 Association



CANADA DEPARTMENT OF LABOUR

Hon. Bryce Mackasey, Minister

George V. Haythorne, Deputy Minister





Report of Board of Conciliation and Investigation established to deal with dispute between:

Canadian National Hotels Limited (Chateau Laurier Hotel, Ottawa)  
and  
Canadian Brotherhood of Railway, Transport and General Workers

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The Board of Conciliation and Investigation was under the Chairmanship of F.J. Ainsborough of Toronto. He was appointed by the Minister in the absence of a joint recommendation from the other two members of the Board, R.H. McKercher, Q.C. of Saskatoon, and J.M. Callaway of Ottawa, the nominees of the company and union, respectively. The report was received by the Minister of Labour in August.

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The Board met the negotiating committees in Ottawa, from June 11 to 14 inclusive. During those sessions written briefs were presented and read. The points were discussed at some length as they set forth the positions of the respective parties and were the basis for negotiations.

When it appeared that sufficient progress had been made it was agreed the committees should have an opportunity to meet without the Board in an endeavour to reach an agreement or at least, narrow the gap. It was also agreed the Board would reconvene on June 26 if a solution did not materialize.

Meetings were held in Montreal, without the Board, on June 17-18-19 and 21 but the desired result was not attained.

Sessions resumed in Ottawa on June 26 and continued for the next two days. The Board met with the committees but on many occasions withdrew when it appeared one or other or both wished to do some plain talking across the table or, possibly, make some counter offer or modify its position. These situations are not unusual and an experienced negotiator will try to bring forth his position outside the conference room or in some way that he will not slip backward if his manoeuver is not successful. This might weaken his case with a Board. In an endeavour to be helpful this Board watched for the usual signs and allowed the participants privacy when advisable.

Many night meetings were held by each committee or between the committees. The Board kept itself available to assist at any time.

On June 28 the solution was completed, signed by the committees and the Board and ratified by the Company and the Union Membership.

The bargaining was hard and "close to the vest" with each committee trying to get the best possible deal for its principals and at the same time, produce a contract fair to all.

There is a very good relationship between management and employees where about one third of the staff has 25 or more years of service and more than one half have been in the employ for 10 or more years.

The Board is pleased to express its thanks and appreciation to both committees for the respect and consideration they showed to each other during the long and trying negotiations and the whole-hearted co-operation they extended to the Board.

Toronto, July 17, 1968.

(Sgd.) F.J. Ainsborough,  
Chairman.

J.M. Callaway,  
Member.

R.H. McKercher,  
Member.

Conciliation Board Report in dispute between:

Nordair Limited, Montreal and International Association of Machinists and Aerospace Workers

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The Board of Conciliation and Investigation was under the Chairmanship of A.C. Dennis of Lakefield, Ont. He was appointed by the Minister in the absence of a joint recommendation from the other two members of the Board, J.J. Spector, Q.C., and Saul Linds, both of Montreal, who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister of Labour in September.

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The Company is engaged in the operation of an air line requiring men with skills as employed by larger and smaller competitors. There are approximately 130 employees forming the bargaining unit who are consummating their first agreement with this company. These employees were formerly members of another union.

The Board met in Montreal on August 13 and 20, 1968 at the Queen Elizabeth Hotel. The matters in dispute referred to the Board were as follows: Article 11.2: shift differentials; Article 11.10: hours of work; Article 12.3: isolation pay (wages); Appendix 2 (Wage Scale): duration of agreement.

On August 20 the Board concluded negotiations on the basis that the parties would meet in direct negotiations on August 22, 1968 and, if an agreement were not reached, the Board would make its report to the Hon. Bryce Mackasey, Minister of Labour. However the Board at the time had a tacit understanding of what the settlement would be.

The Board is pleased to report that all matters in dispute have been resolved and ratified by the union membership and Nordair Ltd.

September 20, 1968.

(Sgd.) A.C. Dennis,  
Chairman.  
  
J.J. Spector,  
Member,  
  
Saul Linds,  
Member.

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Report of Board of Conciliation and Investigation established to deal with dispute between:

Polymer Corporation Limited, Sarnia  
and  
Oil, Chemical and Atomic Workers' International Union

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The chairman of the Board was T.C. O'Connor, Toronto. He was appointed by the Minister on the joint recommendation of the other two members of the Board, R. A. Williamson, Toronto, and George Burt, Kingsville, Ont., who were previously appointed on the nomination of the company and union, respectively. The dispute was settled before the Board and subsequently ratified by the union membership. The Report was received by the Minister of Labour in August.

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The Board met the parties in Toronto Ont., on July 22, 23, 24, 25, 26, 27, 28, 29, 30, 31 and August 1, 1968. The Board is pleased to report that at the final meeting the parties were able to reach an agreement on all issues of dispute. Following the signing of the terms of the settlement, the employees of the Company ratified the Agreement on August 7, 1968.

Signed at Toronto, August 21, 1968.

(Sgd.) Thomas O'Connor,

Here are the terms of the settlement.

The undersigned representatives of the parties hereto hereby agree to the full settlement of all matters in issue between them and undertake to recommend these terms of settlement to their respective principals:

George Burt,  
Member.

R. A. Williamson,  
Member.



Board of Conciliation and Investigation established to deal with dispute between:

Shipping Federation of Canada Inc.  
and  
International Longshoremen's Association

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The Board of Conciliation and Investigation established to deal with a dispute between the International Longshoremen's Association, Local 269, Halifax, and Local 273, Saint John, N.B., and the Shipping Federation of Canada Inc., Montreal, Quebec, was under the Chairmanship of Judge Nathan Green, Q.C. of Halifax, N.S. He was appointed by the Minister in the absence of a joint recommendation from the other two members of the Board H.B. Rhude of Halifax, N.S., and Frank X. Crilley of Saint John, N.B., who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister of Labour in October.

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Pursuant to an Order made by the Minister of Labour of Canada under the provisions of Section 17 of The Industrial Relations and Disputes Investigation Act, a Board of Conciliation and Investigation was constituted consisting of Frank Crilley of Saint John, as the nominee for the International Longshoremen's Association, Henry B. Rhude of Halifax, as the nominees of the Employer and Judge Nathan Green, Q.C. of Halifax, Chairman of the Board.

The Board met with and without the parties and was successful in bringing them together to conclude a collective agreement between the Employer and the International Longshoremen's Association, Local 269 of Halifax and the Employer and the International Longshoremen's Association, Local 273 of Saint John.

The memorandum setting forth the points at issue on which agreement had been reached and the nature of the new agreements to be drawn up was signed.

Halifax, October 9, 1968.

(Sgd.)                      Nathan Green,  
Chairman.







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No 6, 1968

# CONCILIATION BOARD REPORTS together with CLRB REASONS FOR JUDGMENT

**Conciliation Board Reports in disputes between:**

Air Canada and Canadian Airline Employees' Association Canadian Broadcasting Corporation and National Association of Broadcast Employees and Technicians (TV Watchmen) Canadian Broadcasting Corporation and National Association of Broadcast Employees and Technicians Trans Air Limited and Lodge 2223, International Association of Machinists and Aerospace Workers.

**Reasons for Judgment in application affecting:**

RCA Victor Employees' Association (Applicant) and RCA Victor Company Limited (Respondent)



CANADA DEPARTMENT OF LABOUR

Hon. Bryce Mackasey, Minister

J.D. Love, Deputy Minister





Report of Board of Conciliation and Investigation established to deal with dispute between

Air Canada  
and  
Canadian Airline Employees' Association

The Board of Conciliation and Investigation was under the Chairmanship of T.C. O'Connor of Toronto, appointed by the Minister of Labour to replace Judge René Lippé who was forced to withdraw because of illness. Other members of the Board were Hector McD. Sparks of Montreal and Douglas M. Fisher of Stittsville, nominees of the company and union, respectively. The report was received by the Minister in December.

The Board, met the parties in Toronto on December 6, 7, 8 and 9 and in Montreal on the 10, 11, 12, 13 and 14 and is pleased to report that on December 14, 1968, the parties concluded a collective agreement which resolves all matters in dispute. The parties have agreed to recommend these terms of settlement to their respective principals. The members of the Board respectfully recommend these terms of settlement to the company and the union.

The Board would like to express appreciation to F. Charles Eyre, Director of Personnel and Industrial Relations and members of the Industrial Relations Department of Air Canada and to Dr. M. Wigerdson and John Hayes of the Canadian Airline Employees Association for the sincere and honest effort they made to resolve this dispute during the many difficult and trying days.

The Board would like to express its appreciation to Bernard Wilson and Bruce McRae of the Canada Department of Labour who were of real and genuine assistance to this Board and the Parties.

Montreal December 14, 1968.

H. McD. Sparks,  
Member

D.M. Fisher,  
Member

Thomas C. O'Connor,  
Chairman

Report of Board of Conciliation and Investigation established to deal with a dispute between

Canadian Broadcasting Corporation  
and  
National Association of Broadcast Employees  
and Technicians (T.V. Watchmen, Montreal)

The Board of Conciliation and Investigation established to deal with a dispute between the Canadian Broadcasting Corporation and the National Association of Broadcast Employees and Technicians (Watchmen, Montreal) was under the Chairmanship of His Honour Judge Walter Little of Parry Sound. He was appointed by the Minister of Labour on the joint recommendation of the other two members of the Board, J.W. Healy, Q.C., and Miller Stewart, both of Toronto, who were previously appointed on the nomination of the Corporation and Union, respectively.

The report was received by the Minister in January.

The Board recommends that the expired collective agreement be renewed for a two-year period from December 1, 1967 to November 30, 1969 on the following basis:

1. That the jurisdiction provisions of the said expired agreement be amended to read as follows:

35.1 The employees defined in Article 2, shall continue to maintain protective and security measures in all the buildings in which the Corporation adjudges that the said services are required. However, the parties recognize that personnel outside the bargaining unit are also assigned to this same kind of work.

35.2 Such employees shall also continue to maintain protective and security measures on remotes to

which they are assigned, whether such remotes are produced inside or outside the boundaries of the Montreal local area.

35.3 The Corporation may contract-out provided this does not result in any lay-off of employees in the bargaining unit."

2. (a) That the wage provisions of the said expired agreement be amended to incorporate the following wage adjustments and cash payments:

- 1) Scale adjustment of 7% effective December 1, 1967
- 2) Scale adjustment of 6% effective December 1, 1968
- 3) 5% cash payment (each employee \$225) (5% per annum covering period December 1, 1967 to November 30, 1968 - 12 months)
- 4) 5% cash payment (each employee \$240) (5% per

annum covering period December 1, 1968 to November 30, 1969 - 12 months)

NOTE A (Item 3) Calculations based on payroll as at December 1, 1967.

NOTE B (Item 4) Calculations based on payroll as at December 1, 1968.

The Schedule of Payment will be as follows:

	<u>Cash Received</u>	<u>Salary Increase</u>
1) 7% - Retroactive portion (one year) (Payable on date of ratification)	\$296	\$4,288.20 to \$4,524.17 = \$295.97
2) 6% - Little, if any, re- troactivity	-	\$4,524.17 to \$4,795.62 = \$271.45
3) 5% Cash Payment Decem- ber 1, 1967 November 30, 1968 (Payable March 1, 1969)	\$225	
4) 5% Cash Payment Decem- ber 1, 1968 November 30, 1969 (Payable June 1, 1969)	\$240	
TOTAL:	<u>Cash - \$761</u>	<u>Scale \$567.42</u>

3. (a) In making the above recommendations the Board accepts the fact that the bargaining unit will be disbanded by attrition by November 30, 1969 and that the

Corporation has assured the Board and the Union "that no employee will suffer loss of take-home pay and that employees will be reassigned to other duties in the Corporation, taking into account their individual aptitudes and capabilities".

(b) That the increases and lump sum payments included in said amendment apply only to employees who are members of the bargaining unit on the date of ratification of the recommendations contained in this Report.

4. The Board has also been assured by the Corporation that such reassignment shall be within the Montreal area, and furthermore, that if such reassignment has not taken place by November 30, 1969, the take-home pay of the employee not reassigned shall continue until he is so reassigned, and the Board so recommends.

5. That all other provisions of the said expired Agreement be included in the new Agreement.

Toronto, January 10, 1969.

(Signed) Walter Little  
Chairman

J.W. Healy,  
Member

Miller Stewart,  
Member.



CONCILIATION BOARD REPORT IN DISPUTE BETWEEN  
Canadian Broadcasting Corporation  
and  
National Association of Broadcast Employees and Technicians

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The Board of Conciliation and Investigation established to deal with a dispute between the Canadian Broadcasting Corporation and the National Association of Broadcast Employees and Technicians was under the chairmanship of His Honour Judge Walter Little of Parry Sound, Ont. He was appointed by the Minister of Labour on the joint recommendation of the other two members of the Board, J.W. Healy, Q.C., and Miller Stewart, both of Toronto, who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister in December.

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The Board of Conciliation met the parties at Parry Sound, Ont. on September 23, 24 and 25 and at Toronto on September 30, October 1 and 2 1968.

At the commencement of proceedings in Parry Sound the union presented a lengthy brief, supported by statistical data, together with its numerous proposals for amendments and additions to the Collective Agreement. It was stated that the areas of dispute were as follows: 1. Union Security; 2. Hours and Scheduling of Work; 3. Meal and Break Periods; 4. Excessive Hours and Safety; 5. Night Shift Differential; 6. Upgrading; 7. Jurisdiction and Duties of Employees; 8. Vacation and Paid Holidays; 9. Wages and General Wage Provisions; 10. Travel Expenses and Time Credits; 11. Medical Insurance Coverage; 12. Cost of Living Allowance; and 13. Grievance Procedure.

It was readily apparent, however, that there were well over 100 major and minor issues still unresolved.

In its formal reply the Corporation limited itself to making proposals for the modification of the provisions of the collective agreement in the areas of hours and scheduling of work, jurisdiction and wages and new classification structure.

It also filed a clause comparison chart showing the provisions of the current agreement and the respective proposals of the corporation and the union for amendments and additions to it.

Finally, the Corporation presented to, and discussed with, the union negotiators and the Board, details of its proposed job evaluation plan, prepared after a job evaluation review of all jobs performed by members of the bargaining unit. In this connection it also filed its salary administration manual, detailed job specifications, corporate job rates and its proposed salary scale prior to negotiations. It claimed that if the latter scale were implemented it would mean an immediate outlay of \$250,000 by the Corporation to adjust present salaries to a proper level, before bargaining on any general or across-the-board increases for inclusion in the next contract.

It was obvious to the members of the Board and to the parties, that an almost unprecedented situation existed as there were, as already stated, well over 100 issues unresolved. In fact, we were aware that this was the case when the Board was established so we scheduled hearings for the entire week of August 12 last. Un-

fortunately, both parties had reasons why they could not meet the convenience of the Board at that time, and we do not suggest that the reasons were not valid ones. We were assured, however, that the delay would not be unduly detrimental to future bargaining as it would give the parties the opportunity of again meeting in negotiations prior to the later scheduled meetings of the Board in an effort to reduce the number of items in dispute to manageable proportions. To emphasize the necessity of such further negotiations if the Board was to be able to function properly, we formally requested the parties to so meet. This was not done, and when one considers the number of people involved in these negotiations, and their widely scattered locations, the failure to do so is understandable. Nevertheless, this did mean, that, with the limited time available to the Board prior to the deadline for filing its report, the chances of the Board resolving the dispute were reduced to a minimum.

As already stated, the Corporation introduced for the first time during these negotiations its new job evaluation plan and at the same time expressed its regret to the union that the details of the proposed plan could not have been supplied to union negotiators at an earlier date. The latter, understandably, maintained, and have continued to do so since, that it was impossible to fully comprehend and understand this issue without considerable study on its part, together with an opportunity of consulting its own experts in this field. It was claimed that this could not be done in time to have any plan contained in a new collective agreement, and requested the Corporation to withdraw this request from bargaining at this time. This, the Corporation refused to do, and instead requested that it be given the opportunity of fully discussing and explaining its proposals to the union. Without prejudice to the position already taken by it, the union agreed to have this discussion.

The parties then met separately from, and later with, the Board, on Sept. 23, 24 and 25 in Parry Sound. The issue could not be resolved as a result of these discussions and the union estimated it might have to take the position that unless the plan was ignored in these negotiations it might have to terminate bargaining and ask the Board to write its report.

The Board persuaded the parties that they should endeavour to resolve the non-economic issues and delay further discussions of the plan until this was done.

This was agreed to, and the parties met privately at Toronto on Sept. 26 and 27. In agreeing to this suggestion however the union made it clear that it reserved the right to terminate bargaining when the hearings with the Board were resumed on Sept. 30 at Toronto.

When the hearings were resumed the parties agreed to continue discussions with the assistance of the Board in an effort to resolve the non-economic issues. This was done, but progress was so slow that after two more days there were still over 70 issues still unresolved. The union took the position that it should not be expected to try to resolve all non-economic issues until the Corporation had placed on the table all its major economic proposals. This the Corporation refused to do.

The Board consequently informed the parties that as matters stood it could not hope to deal effectively with the dispute. In an effort to compel meaningful bargaining the Board suggested to the union that if it would offer to withdraw the remaining non-economic issues, the Board in return would request the Corporation to drop its job evaluation plan from the current discussions. Furthermore, if this were accomplished, the way would be open for the Corporation to place its major economic proposals before them, and negotiations could continue on a package basis in an effort to resolve the dispute. The union negotiators fully considered this proposal, but for reasons which they considered valid,—and we cannot in fairness quarrel with that decision—declined to accept it.

Despite this, the Board discussed its proposal with the Corporation, and as a result, later indicated to the union that the adoption of the job evaluation plan was not a condition precedent to reaching a settlement at this time, provided an agreement was reached to study the plan during the term of the next contract in the hope that it might be implemented during that time or in any event, be a serious matter for bargaining at the next round of negotiations. This information did not result in any change of attitude.

In a final effort to induce the parties to resume serious bargaining the Board made the following suggestions:

1. That the parties immediately resume face to face bargaining on a quid pro quo basis in order to resolve the non-economic issues.
2. That the Board stand recessed until this task had been completed.
3. That when only the major economic issues remained to be settled, the Board would reconvene and endeavour to work out a settlement in a normal way on a package basis.
4. That with the present impasse in negotiations this appeared to be the only way in which a strike might be avoided.
5. That in order to have any chance of achieving this result with the Board's assistance it would be necessary for both parties to agree to request the Minister to extend our time for making our report from October 31 to November 30 next.

After considering these suggestions the union rejected them. Its negotiators considered that the Board should have compelled the Corporation to place its total position on the table before the union could be expected to withdraw any of the remaining non-economic issues. The Board did not accept this contention, and likewise, rejected a union claim, that it agreed with the Corporation in its refusal to disclose its major economic

proposals now. The Board pointed out that it could not compel either party to make proposals which it did not wish to make. In fact, the Board's proposals to resolve the dispute did not, at any time, indicate any preference for the position taken by one party or the other, except to indicate to the Corporation that the Board appreciated the reluctance of the union to bargain on the job evaluation plan in view of its late introduction as a bargaining item.

At this stage of the proceedings we reluctantly reported to the Minister that "in view of the manner in which these negotiations have proceeded, and because of the large number of issues still unresolved, and particularly because economic issues were never discussed, except the proposals for a job evaluation plan, it is the Board's unanimous conclusion that it can make no useful recommendations for a resolution of the dispute."

Following receipt of this report, and after considering it, the Minister sent the following telegram to the Chairman, with copies to the other Board members and to representatives of the parties:

"I HAVE RECEIVED THE UNANIMOUS REPORT OF THE CONCILIATION BOARD UNDER YOUR CHAIRMANSHIP WHICH DEALT WITH THE DISPUTE AFFECTING NABET AND THE CBC. THE REPORT CONTAINS NO RECOMMENDATIONS OR PROPOSALS FOR ADJUSTMENT OR SETTLEMENT OF THE ECONOMIC ISSUES IN DISPUTE AND IT IS APPARENT FROM THE PROCEEDINGS BEFORE YOUR BOARD THAT THE PARTIES CANNOT REACH AGREEMENT BY THEMSELVES, AND THE RECOMMENDATIONS OF YOUR BOARD ARE THEREFORE NECESSARY TO HELP THEM. IN ORDER TO PREVENT A SERIOUS DISRUPTION OF TELEVISION AND RADIO BROADCASTING WITH SEVERAL THOUSAND EMPLOYEES OFF WORK FOR A CONSIDERABLE PERIOD OF TIME, PERHAPS EXTENDING INTO THE CHRISTMAS SEASON, I AM REQUESTING PURSUANT TO SECTION 31 (2) OF THE IRDI ACT THAT YOUR BOARD RECONVENE TO RECONSIDER AND AMPLIFY THE REPORT AND MAKE RECOMMENDATIONS ON THE PRINCIPAL ECONOMIC AND NON-ECONOMIC ISSUES. YOUR BOARD HAS FULLY COMPLIED WITH SECTION 32 (1) IN ENDEAVOURING TO BRING THE PARTIES TO AGREEMENT BUT SECTION 35 PROVIDES THAT THE BOARD REPORT ITS FINDINGS AND RECOMMENDATIONS. YOUR BOARD HAS THE AUTHORITY TO SUMMON THE PARTIES BEFORE YOU TO MAKE ANY NEW PRESENTATION NECESSARY FOR THIS PURPOSE. I KNOW YOU WILL AGREE THAT THE SERIOUS SOCIAL AND ECONOMIC EFFECTS OF A BROADCASTING BREAKDOWN SHOULD BE AVOIDED BY ALL MEANS POSSIBLE AND, THAT IF ONE SHOULD OCCUR, THE CANADIAN PUBLIC HAVE A RIGHT TO KNOW OF THE ATTITUDES OF THE PARTIES AND IN WHAT MANNER YOUR BOARD CONSIDERS THE ISSUES SHOULD BE ADJUSTED."

The result was that hearings were resumed in Ottawa on Nov. 6 and 7 and discussions continued into the morning of Nov. 8. Evidence was taken by the Board on all major economic and non-economic issues still unresolved and a further effort was made to resolve them. This again failed, partially because of lack of time. At this stage the parties considered that matters had reached an impasse and the union requested the



Board to make its report. It did however request time to file, in writing, its formal reply and counter-proposal to a Corporation proposal dated November 7.

When this reply and counter-proposal were received, the Corporation requested, and was granted, permission to amplify its prior proposal and reply to the counter-proposal of the union. When these documents were received and studied by the Chairman, it was his conclusion that a settlement was still possible, so with the consent of the other Board members, he requested that the parties again meet the Board and resume bargaining on November 19. This was done and negotiations proceeded continually through November 20, 21, 22 and 23 and well into Sunday morning, November 24. At that stage all the issues between the parties had been resolved by direct negotiations assisted by the Board, except the money package—wages, cost-of-living bonus, and an additional increment over and above a general wage increase to announcer-operators. There was also a request to include any agreement with the watchmen in the main agreement. The parties requested that the Board recommend what it considered proper on all these issues.

The Board then fully considered the remaining matters and came to the following unanimous decision regarding each of them:

1. Wages

A general wage increase of 7% effective July 1, 1968 and to include all regular and overtime hours worked from that date.

Further general wage increases of 6% and 6% respectively on July 1, 1969 and July 1, 1970, such general increases to be applied cumulatively.

The said increases to be the basis for a 3-year agreement from July 1, 1968 to June 30, 1971.

2. Cost-of-living Bonus

Rejected.

3. Announcer-Operator Increment

The Board could not specifically recommend it, but requested the parties to consider the merits of this proposal at the time of the job evaluation study, which has been agreed to.

4. Watchmen

Could not recommend they be included in main agreement, but their situation would be specifically dealt with in the report of the Board (the same members as this Board) dealing specifically with the watchmen.

The Board verbally communicated its unanimous recommendations to the parties immediately and were subsequently, on the morning of November 24, advised by the union negotiating committee that the recommendations were acceptable to them as a basis for settlement subject, of course, to ratification by its membership.

The Corporation advised that neither its officers nor its negotiating team had authority to accept or reject these proposals until the Board of Directors of the Corporation had met. The President of the Corporation indicated to the Chairman that he would request the members of his Board, who were scheduled to meet

on December 2, to convene on December 1, to specifically consider the unanimous verbal report of the Board. The Board therefore decided, and the union did not object, to adjourn proceedings until December 3, to enable the Corporation to communicate to it, the result of its consideration of the Board's recommendations. This was done.

On Monday evening, December 2, the President of the Corporation telephoned the Chairman and stated he was sending the following night letter to him, which was received on the morning of December the 3:

"CBC BOARD OF DIRECTORS CONSIDERED AT ITS MEETING TODAY THE WAGE PROPOSALS WHICH YOU COMMUNICATED TO ME ON SUNDAY, NOVEMBER 24 AS BEING IN THE VIEW OF YOUR CONCILIATION BOARD AN APPROPRIATE BASIS FOR SETTLEMENT OF THE LAST OUTSTANDING ISSUE IN THE CURRENT CBC-NABET DISPUTE. THE DIRECTORS HAVE AUTHORIZED ME TO STATE THAT THEY WOULD BE PREPARED TO CONSIDER FAVOURABLY THE PROPOSAL YOU HAVE ADVANCED AS A BASIS FOR SETTLEMENT PROVIDED AN OVERALL SETTLEMENT OF ALL OUTSTANDING ISSUES BETWEEN NABET AND THE CORPORATION IS AGREED TO AND RATIFIED BY THE UNION MEMBERSHIP ON THE BASIS ALREADY AGREED TO BY THE UNION NEGOTIATING COMMITTEE DURING THE CONCILIATION PROCEEDINGS CONDUCTED UNDER YOUR GUIDANCE. THE CORPORATION STIPULATES HOWEVER THAT IN THE EVENT THAT THE UNION MEMBERSHIP FAILS FOR ANY REASON TO RATIFY THE AGREEMENT THAT HAS BEEN REACHED BETWEEN OUR RESPECTIVE NEGOTIATING COMMITTEES ON ALL OUTSTANDING ISSUES IT WILL NOT BE BOUND BY ITS CONDITIONAL ACCEPTANCE AS STATED IN THIS TELEGRAM OF YOUR BOARD WAGES PROPOSALS. THE BOARD HAS FURTHER REQUESTED ME TO EXPRESS TO YOU ITS APPRECIATION OF THE SKILL AND PATIENCE YOU HAVE SHOWN THROUGHOUT THESE DIFFICULT NEGOTIATIONS WHICH WE NOW HOPE ARE REACHING A CONCLUSION ACCEPTABLE TO BOTH PARTIES AND NOT INCONSISTENT WITH THE PUBLIC INTEREST."

The Chairman communicated the contents of this night letter to the other Board members later in the evening of December 2 and also discussed its contents with Mr. Pambrun on behalf of the union. It was clearly pointed out to Mr. Pambrun that the conditional acceptance of the Board's unanimous report, by the Corporation, meant that if the union membership approved of the proposals there was a basis for settlement. If, however, the union membership rejected the proposals, then there was no basis for settlement as proposed. Mr. Pambrun informed the Chairman that the Board's recommendations and the Corporation's conditional acceptance would be fully communicated to the membership prior to the vote, he also stated that the vote would be held throughout the country on December 9, 10 and 11.

In conclusion the Board wishes to emphasize that irrespective of the result of the vote its recommendation for settlement of this dispute is a collective agreement which will contain the following:

1. All portions of the current agreement which were not part of this dispute between the parties.

2. All disputed and additional articles to the current agreement on which the parties agreed during negotiations, either with or without the assistance of this Board.
3. The unanimous monetary recommendations made by the Board to the parties on November 24 as already outlined herein.

(Sgd.) Walter Little,  
Chairman.

J. W. Healy,  
Member.

Miller Stewart,  
Member.

Dated at Parry Sound, Ont. Dec. 5, 1968.



Conciliation Board Report in dispute between  
TransAir Limited  
and  
Lodge 2223, the International Association of Machinists  
and  
Aerospace Workers

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The Board of Conciliation and Investigation established to deal with a dispute between TransAir Limited, St. James, Man., and Lodge 2223 of the International Association of Machinists and Aerospace Workers was under the Chairmanship of R. A. Gallagher, Q.C., of Winnipeg. He was appointed by the Minister of Labour in the absence of a joint recommendation from the other two members of the Board, H. B. Monk, Q.C.; and A. A. Franklin, both of Winnipeg, who were previously appointed on the nomination of the company and union, respectively. A minority report was submitted by Mr. Monk.

The reports were received by the Minister during November.

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The Board sat to hear the parties at Winnipeg Man. on September 26 and 27, and October 9, 1968.

The parties have been bound together for some years in various collective working agreements. The last agreement between the parties was for the period from June 1, 1966 to May 31, 1968. Prior to its expiry date the Union gave the Company notice of its desire to revise the terms of same, and negotiations commenced in April, 1968. These negotiations proved unfruitful and a Conciliation Officer was appointed in June, 1968 and his efforts continued into July, 1968. No specific dates were given to this Board as to his appointment or as to the meetings, but numerous meetings were held by him with the parties, and by the early part of July it became apparent that agreement would not be achieved.

As of July 4, 1968, the Union gave the Conciliation Officer its final position on all matters under negotiation. This was communicated to the Company, and at that time there was little separating the parties.

Unfortunately, however, both parties adopted adamant and final positions before the Conciliation Officer with the result that he was unable to bring them together on an agreement.

The foregoing is not recited as criticism of the parties but rather as background to the positions taken by them before this Board.

At the hearings, the Union took the position that prior discussions of the various items in dispute and, in fact, what the Company called certain tentative agreements, were of no effect and the Union's position on many points, particularly wages, was far in excess of that which earlier had formed a narrow basis for discussion and possible settlement.

This change in viewpoint apparently came about through annoyance of the Union membership at failure to settle the matters in issue at an early date and the apparent adoption of the view that if resort to economic sanctions became necessary to achieve the desired end, then such resort would be made.

The Company, on the other hand, adopted a position before the Conciliation Officer and, with slight variation, carried this position forward to the hearings before this Board. As a result, a possible area of settlement, which was within the limits of reasonableness, was lost and the parties are now faced with the situation in which they have both adopted rather rigid and inflexible positions, which neither can or will abandon, and open conflict appears to be just over the horizon.

This Board is disturbed at the inability of the parties to resolve these problems either in negotiations or at the Conciliation Officer or Conciliation Board stage. The parties' attitudes do not serve the interests of either, or of their shareholders or members, and in fact destroys the very purpose and the advantages of the collective bargaining process.

This Board was not able to bring the parties together but hopes that its views as expressed to the parties at the hearings and as expressed in this Report will cause them to review their positions carefully with the intent of engaging in meaningful discussions at a responsible level with a view to avoiding the possibility of strife and dissension, which would benefit neither.

Before dealing with the points in issue the Board would like to give a very brief resumé of some background of the parties.

The Company operates in a limited and low density market. Until very recently much of its business was carried on in the far north of this province and country with aircraft suited to such requirements. Recently, the Company abandoned this policy with respect to its operation and reduced its fleet of aircraft from 34 to 12. It appears to the uneducated eye that the Company is endeavouring to become a major carrier in a north-south direction as contrasted to Air Canada and Canadian Pacific Airlines in an east-west direction.

Whether as part of this overall policy or not, Trans-Air while reducing its fleet in numbers has acquired new aircraft at great expense. At the same time the Company has lost a subsidy previously paid by the Government of Canada with respect to a particular phase of its operations.

The Company indicated to this Board, and its financial statements of the last few years appear to support this fact, that it is undergoing a period of some financial difficulties. The Company does not plead inability to pay but it does say that any increases granted, particularly if higher than those proposed by the Company, would have serious effects on its total operation.

The Union pointed out that it has bargained with the Company since 1958 and that on a number of occasions the Company has pleaded financial difficulties but nevertheless has found the necessary funds.

It is with this brief background that the Board now deals with the matters in issue.

#### 1. *Automatic progression to the top wage scale for mechanics and licensed mechanics.*

The Board is of the view that the parties really resolved this matter at negotiations.

The union proposed the establishment of a Grade 3A position, after 2 years automatically a Grade 3, to apply to the stores department as well as to mechanics.

The Company agreed to this stating it could be accomplished by establishing a Grade 3A category for mechanic (all trades), licensed mechanic and storekeeper, the rate for this category to be midway between the relevant Grade 3 rate and the relevant Grade 4 rate, except in the case of the storekeeper where the Grade 3A rate would be 5½ cents higher than the storekeeper's Grade 3 rate.

This Board recommends that the company's proposal on this point be implemented.

#### 2. *Adjustment for inspector.*

At present the rate for an aircraft inspector is only 7½ cents above the Grade 4 licensed mechanic rate. The union takes the view that this rate does not compensate for the increased responsibilities that inspectors must assume and perform.

When the qualifications for this position as outlined in the current agreement are considered there is much to be said for the union's position.

This Board recommends that the rate for aircraft inspector be established at the Grade 4 licensed mechanic rate plus 15 cents per hour in addition to such rate.

#### 3. *Shift Differential.*

At the present time there are three shifts contemplated by the provisions of the collective agreement. On one of these shifts a person receives 8 hours pay for

8 hours worked; on the second shift, 8 hours pay for 7½ hours worked; and on the third shift, 8 hours pay for 7 hours worked.

The union says that this system is not adequate and wishes the company to fall in line with other companies in this industry by not only paying in time not worked but also paying a shift differential in money as well, and the union proposed 20 cents for two shifts for each hour worked.

This Board is not impressed with the fact that other companies in this industry pay in money as well as in time. The Board would have to know a great deal more about the background and operation of such companies before this submission would take on any meaning or relevance.

This Board is of the view that no logical reason has been advanced to support the union's request on this point. In effect the union's request is nothing more than a request for an additional wage increase under the guise of a different name.

The Board appreciates the problem of shift work, but is of the view at present, on the facts before it, but this problem is adequately compensated by the present system of pay for time not worked.

This Board recommends that the union's request be not implemented.

#### 4. *Fringe Benefits.*

Under this heading the union dealt with a number of matters as one request. These were:

- (a) Increase company contribution to medical plans to 75%;
- (b) Increase company contribution to hospital plans to 50%;
- (c) Increase sick time entitlement to 24 days with entitlement to 7 days in seventh month of employment after 6 months' probationary employment completed;
- (d) Improve sick time plan so that payment would start on second day of sickness and if sickness extended to 7 calendar days then payment would be made from the first day;
- (e) Extension of Company Executive Pension Plan to all employees in bargaining unit;
- (f) Three weeks' vacation after 6 years of employment, 4 weeks' vacation after 12 years of employment;
- (g) Company to match each member's contribution to the local union's sick plan.

Before this Board the union indicated that it wished to gain improvements on some of the above matters aggregating in all approximately 10 cents per hour. The company advised that fringe benefits presently enjoyed by these employees amount to approximately 20 cents per hour.

This Board finds it impossible to deal with these many requests as one total package or to consider the same on the basis of cents per hour. The requests, by their very nature, require individual consideration and individual attention.

This Board recommends to the parties as follows:

- (a) That the company's proposals with respect to hospital and medical plans, as set forth in the company's brief to this Board, be implemented;
- (b) That sick time entitlement be increased to 20 days with entitlement to 7 days in the seventh month after an employee successfully passes the probationary



period of employment. Sick time payment to start on the second day of sickness, and if sickness extends to 7 calendar days payment shall be made from the first day of sickness;

(c) That the union's request for extension of the Company Executive Pension Plan be not implemented;

(d) Three weeks' vacation after 8 years of employment, and 4 weeks' vacation after 20 years of employment;

(e) That the union's request for company contribution to the sick plan of the local union be not implemented.

The Board sees no reason to spell out in detail the bases on which the above recommendations are made. It will suffice to say that the Board has endeavored to consider all relevant facts and circumstances in arriving at these recommendations.

#### 5. *Northern Allowance.*

The Union requested that this allowance be increased and indicated a figure of 10%.

Apparently, prior to the last agreement between the parties this allowance was in the amount of \$125. At that time (June 1, 1966) this allowance was increased by about 10% to \$137.

This Board is well aware of the rise in living costs which has occurred since June, 1966, and is particularly aware of the situation as it exists in the northern parts of the country.

This Board, therefore, recommends that the said allowance be increased to the sum of \$150.

#### 6. *Letter of Understanding.*

This Board recommends that the present Letter of Understanding No. 1 be deleted and the following be substituted therefor:

"The Company will inform the Union in advance of the delivery of any new type of aircraft and will hold discussions with the Union regarding the matter of the training required to provide maintenance and servicing for such new type of aircraft."

#### 7. A "no farmout" clause.

The union requests that a clause be written into the agreement whereby the company would be prohibited during the life of the agreement from having outsiders perform work which the union says rightfully belongs to members of the bargaining unit, based both on the facts and circumstances presently existing, the history of the parties' relationship and common sense.

The union states that many of its members have built up substantial seniority with the Company and that it has a responsibility to these members to protect their work positions. The union states that its proposal is not designed to affect aircraft engine overhaul, but that its main concern is with the janitor staff.

The reason for this concern became apparent to the Board. The janitors' rate of pay is presently \$1.845 per hour. The company has told the union that if wage increases of the nature requested by the union are granted, the company may have to give serious consideration to "farming out" such work.

This Board can appreciate both sides of the argument—that is, the Union's fear for, and desire to protect, its members, and also the company's position that the costs of providing such service are becoming excessive in relation to the cost of "contracting-out".

This Board is of the view that the parties are not yet sufficiently knowledgeable of each other, or sufficiently sophisticated in their relationships, to warrant the imposition of such a clause. The Board feels that the implementation of such a provision would merely be a millstone around the company's neck at a time when efficiency and costs of operation are of paramount importance to the continued well-being of the company and its employees.

Significantly, the union did not cite one illustration to support its request.

This Board, therefore, recommends that the union's request not be implemented.

#### 8. *Returning to Work—Article 6, clause 12.*

The union wishes to clarify the wording of this clause to make absolutely clear how an employee is to report to work after recall.

This Board recommends that clause 12 be amended to read as follows:

"12. An employee laid off due to staff reduction shall, when laid off, file his address with the Company and thereafter keep the Company informed of his current address. An employee shall forfeit all seniority if he does not report to the Company within 14 days after notice to return to an assignment estimated to last 6 months or more. Notice shall be sent by registered mail or prepaid telegram to the last address filed with the Company, with a copy to the Union."

#### 9. *Closed Shop Agreement.*

This whole issue involves one employee.

In the 1966 agreement there was a maintenance of membership clause coupled with an involuntary and irrevocable check off for all new employees.

The employee in question was not legally a member of the Union at the relevant time and was not a "new" employee of the Company.

It seems to the Board that this is really a point of little merit. The union deserves to receive the regular amount of union dues from this person—for services performed to his benefit—and the company should have agreed to a dues deduction provision with respect to this person.

In a bargaining unit of some 105 persons the position of this individual can be described as similar to that which caused a doting grandmother—watching a military parade—to remark: "Everyone is out of step but my Johnny."

This Board recommends that regular union dues be deducted from this employee effective June 1, 1968, and throughout the term of any agreement entered into between the parties.

#### 10. *Adequate Supervision and Working Foremen.*

The union dealt with the above two points together.

The first point is that the company will provide adequate supervision on all shifts and if it fails to do so then the matter shall become one for discussion between the parties.

The second point relates to seven employees who are working foremen and apparently perform work within the jurisdiction of the union. The union requests that these foremen be included in the bargaining unit and under the terms of the collective agreement.

These points, to some extent, are connected. The union's position is that adequate supervision cannot be

given by foremen who are in fact working foremen, but who, nevertheless, are excluded from the bargaining unit and the terms of the agreement.

Many factors must be considered in this connection. First, there is the matter of the safety and convenience of the travelling public which warrants the most serious consideration. The union did not show that the safety of the public was being endangered by inadequate supervision, but the fact that this matter was raised by employees who are doing the work speaks largely for itself.

The second consideration is the position of both company and union. The union says in effect that because of inadequate supervision certain employees are shouldering responsibilities which are not properly theirs, and for which they are not compensated. This Board takes the company's view to be that in a small unit of employees (in this case some 105) it is impossible for financial and other reasons to supply foremen who do nothing but supervise and instruct.

This Board is of the view that mutual discussion between the parties on all matters covered by the agreement, and particularly on the matter of adequate supervision, can only be beneficial to both.

The Board, therefore, recommends:

(a) That a provision regarding adequate supervision similar to that proposed by the union be implemented.

(b) That the request of the union regarding working foremen not be implemented.

#### *11. Wages and Length of Contract.*

These two matters can be dealt with together.

At meetings with the Conciliation Officer the union made the following proposal which it said it would recommend to its membership:

June 1, 1968 - 15¢ per hour  
Jan. 1, 1969 - 6% increase  
July 1, 1969 - 5% "  
Jan. 1, 1970 - 6% "

This was a two-year contract expiring May 31, 1970.

The length of the contract was satisfactory to the Company as were the first three wage increases shown above, but the fourth, of January 1, 1970, was unacceptable.

The present rate of a mechanic Grade 4 is \$2.985 per hour. The application of the four increases above would give an end rate for this classification as of January 1, 1970 of approximately \$3.705.

At the hearings before this Board the union had drastically changed its demands. It now wanted

June 1, 1968 - 22¢ per hour  
Jan. 1, 1969 - 7%  
June 1, 1969 - 7%  
Jan. 1, 1970 - 7%

This would give an end rate of approximately \$3.925.

In discussion the union insisted that the rate of \$2.985 had to be increased to \$3.825, an increase of 84¢ per hour, over the 2-year period.

The union takes the position that wages at TransAir are falling behind certain major carriers and other selected employers and that the end rate of \$3.825 is necessary to preserve TransAir's position with those of the other companies. The union also cites a settlement recently concluded on Quebec Airlines whereby the end rate at March 1, 1969 with the contract expiring

March 1, 1970, is \$3.67 per hour, and the Nordair (Montreal) agreement where the end rate at September 1, 1969 is \$3.65 per hour with the contract expiring March 1, 1970. The union says that it has always been in advance of Quebec Airlines and Nordair in the field of wages.

As indicated earlier in this report the company's position is one of financial difficulty and concern. It pointed out to this Board that the total package it offered to the union represented about one-half million dollars over 2 years with approximately \$218,900 being for wages alone.

This Board is of the view that statistics from other areas of the country, while informative and to some extent useful, are not a proper base upon which to found a wage settlement in the economic climate in which this company operates and its employees live.

Before such material could become relevant or persuasive this Board would have to know a great deal more about the economic climate bearing on these other companies and their employees.

Similarly, while statistics relating to Air Canada or Canadian Pacific Airlines, or others, are interesting their relevance to the issues before this Board is questionable and their persuasiveness is slight. This Board's view is that these carriers operate in a national, or possibly international, economic area, and the considerations which have led, and will continue to lead, to collective working agreements with their employees are so different and varied as to make comparison impossible.

This Board's task is simply stated. It is to determine a fair rate of pay that the employees in question should receive and the company should be required to pay.

The parties negotiated the major portion of the wage problem between themselves and this Board finds no compelling reason to substitute its views (which obviously are not as well-informed as those of the parties) for the decisions previously arrived at.

This Board in determining the end rate of pay has considered all relevant factors, and the positions of both the company and its employees.

This Board, therefore, recommends as follows:

(a) A two-year contract from June 1, 1968 to May 31, 1970;

(b) Wage increases of

15¢ per hour on June 1, 1968;  
6% Jan. 1, 1969;  
5% June 1, 1969, and  
6% Jan. 1, 1970.

This Board wishes to thank the parties for their assistance and hopes that they will be able to resolve their differences on an amicable basis.

(Sgd.)

R.A. Gallagher,  
Chairman.

Winnipeg, November 5, 1968.

A.A. Franklin,  
Member.



Dissenting Opinion of Henry B. Monk, Q.C.

I have had the opportunity of reading and considering the reports of the Chairman and Mr. Franklin in this matter. I agree with their recommendations except in respect of the following:

*Vacations* — I would recommend that vacations be increased to 3 weeks after 10 years of employment and 4 weeks after 20 years service.

*Sick Leave* — I would recommend that the present practice remain unchanged.

*Northern Allowance* — I would not recommend any change in the northern allowance. In my view the present percentage differential when applied to increased wages as recommended would provide adequate compensation.

November 12, 1968.

(Sgd.) Henry B. Monk,  
Member.

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CANADA LABOUR RELATIONS BOARD

Reasons for Judgment in Application for Certification affecting

RCA Victor Employees' Association (Applicant)

and

RCA Victor Company, Limited (Respondent)

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The Board consisted of A.H. Brown, Chairman, and J.A. D'Aoust, Jacques Guibault, K. Hallsworth, A.J. Hills, and G. Picard, members.

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The judgment of the Board was delivered by the Chairman.

The Applicant, a trade union, applies to be certified as the bargaining agent for a unit of employees of the Respondent described in the application as all non-resident technicians in the employ of the Respondent. According to the evidence given at the hearing before the Board on the application, the expression "non-resident technicians" is no longer in use by the Respondent in the description of its employees by classifications. At the hearing and in written argument submitted by counsel at the request of the Board after the hearing, the Applicant submits that the proposed bargaining unit for which it seeks certification would be more accurately described as consisting of "all employees in the Respondent's Field Engineering, Repair and Overhaul Department employed on the installation, maintenance or operation of telecommunications and microwave systems, including ground satellite stations, and classified as service technicians (a), (b), and (c), tower and antennae riggers and diesel mechanics.

The Respondent manufactures electronics and telecommunications instruments and equipment in its establishments in the Montreal area in the Province of Quebec.

It also has a Field Engineering, Repair and Overhaul Department managed from Montreal that is divided into a number of segments to provide service. One such segment, for instance, handles the servicing in Ontario — mainly in the Toronto area — of RCA products like electronic microscopes and metal detectors installed in hospitals, universities, government laboratories and private industry. Another such segment handles the servicing in British Columbia, chiefly in the Victoria and Vancouver areas, of television and radio repairs. The employees in these segments are regularly employed and work out of Toronto, Victoria or Vancouver as the case may be.

The employees in the Ontario segment are covered by a collective agreement between the Respondent and the

Applicant based upon a certification issued by the Ontario Labour Relations Board and the employees in the British Columbia segment are covered by a collective agreement between the Respondent and the International Union of Electrical Workers based upon an order of certification issued by the British Columbia Labour Relations Board.

The employees of the Respondent employed at its establishments in the Montreal area are covered by a collective agreement between the Respondent and the Applicant based upon orders of certification issued by the Quebec Labour Relations Board.

The group of employees in the segment of the Field Engineering, Repair and Overhaul Department of the Respondent, comprising the Applicant's proposed bargaining unit herein, are employed upon individual projects undertaken under contracts for the installation or repair of electronics and telecommunications equipment, chiefly of Respondent's manufacture and design, used by the owners of the equipment in telecommunications or microwave systems. For example, the specific projects upon which the employees in the proposed unit were employed at the time of the hearing were a project for the installation of a microwave system for the Bell Telephone Company extending from Ottawa, Ont., to a point near Smiths Falls, Ont.; a project for the installation of a similar system in Manitoba for the Manitoba Hydro Electric Commission extending from Winnipeg, Man., to Grand Rapids, Man.; a project for installation of a satellite ground station at Mill Village, N.S., for the Canadian Overseas Telecommunication Corporation; a project for installation of a microwave system in Saskatchewan for the Saskatchewan government telephones from Regina, Sask., to Gainsboro, Sask.; a project for modification of the Montreal-Vancouver microwave system owned jointly by the Canadian National Railways and Canadian Pacific Railway Company; two projects with the Department of National Defence, of which one was for construction of an

antennae system at Gander, Nfld., and the other for installation of communications equipment at Valcartier, Que.; a project for installation and wiring of television equipment for the Canadian Broadcasting Corporation at Halifax, N.S.; a project for the building of a microwave system in Mexico; and a project for the maintenance of a microwave system and other radio systems in Liberia.

According to the evidence the employees in these projects may be recruited at the project site or may be technicians from Montreal sent out for employment on such installations. The employees assigned from Montreal for employment on an installation project continue to be covered by the collective agreement covering the Montreal employees if it is contemplated that such employment will be only for a short period of time. If so assigned for a longer period of time, they would not continue to be covered by the Montreal agreement and, in common with other employees employed on the project, would work under term contracts for the period of the project, coming back to coverage under the Montreal collective agreement upon return to employment in Montreal.

The major issue raised on the present application is that of jurisdiction. The Respondent submits that the nature of the work of the employees in the proposed unit on the projects does not bring these employees or their employer, the Respondent, within the scope of the application of the Industrial Relations and Disputes Investigation Act. Respondent submits that the work performed is, in its essence, construction work and that the employees employed on this work are in effect transient construction workers. It submits that the situation here is on all fours with the facts of an earlier application for certification as bargaining agent made to this Board by the Communications Workers of America for a unit of employees of the Northern Electric Company Limited composed of installers employed on the installation of facilities for long-distance communication in the form of conventional lines and microwave systems. According to the transcript of evidence the Chairman of the Board, in delivering the oral judgement of the Board rejecting the application, said: "We are of the opinion that we have no jurisdiction under the circumstances of this case. The work being done by the respondent company is not in itself transportation work. It seems to us that it is construction work within a number of provinces under contracts made separately with the authoritative bodies in those provinces. Our view is that under those circumstances we have no jurisdiction and it does not come within the scope of any part of Section 53 of the Industrial Relations and Disputes Investigation Act."

The Applicant submits that the projects in Canada upon which the employees in the proposed unit are em-

ployed are by their nature, communication works or undertakings extending beyond the limits of any one province. As regards projects outside Canada of the nature of the projects in Mexico and Liberia, the Applicant submits that there are no restrictions upon the power of the federal jurisdiction to govern the relations between a resident Canadian employer and its employees who are temporarily non-residents working outside Canada but maintaining their domicile in Canada.

The Board is of opinion, on the basis of the evidence before it, that the nature of the work upon which the employees in the proposed unit are employed is essentially the installation and repair of telecommunications and microwave systems. The contracts with the Department of National Defence appear to go somewhat further in provision for maintenance work on some installations, although the evidence on this point is uncertain. However, this is a minor aspect of the operations involved.

The Board is of opinion that the nature of the work upon which the employees are employed is not an integral part of nor is it necessarily incidental to the operation of the communications systems which are the subject of the projects upon which the employees are normally employed or to be employed under the contracts between the Respondent and the owner or operator of the communications system.

As regards the projects outside Canada on which employees in the proposed unit are employed or may be employed, the evidence is that while some of the employees on these projects are hired in Canada, others are hired at the project site or elsewhere abroad. It is a generally accepted principle of international law that one government will not exercise official, including administrative, functions within the territory of another state. We do not consider that the Board should attempt to exercise jurisdiction over the employees of the Respondent employed on these projects outside Canada in the circumstances as disclosed, even if it were feasible to do so.

As regards the other employees in the proposed unit, upon the basis of the evidence given as to the nature of their employment upon the projects upon which they are employed and after careful consideration of the excellent arguments submitted by counsel for the parties on issues of law and fact involved, the Board is of opinion that the Board does not have jurisdiction in the circumstances and accordingly rejects the application.

(Sgd.) A. H. Brown  
Chairman  
for the Board

Ottawa, October 22, 1968.





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# CONCILIATION BOARD REPORTS

No 1, 1969

Conciliation Board Reports in disputes between:

Maple Leaf Mills Limited, St. Boniface, Manitoba and Local 534 of the  
United Packinghouse, Food and Allied Workers

Ogilvie Flour Mills Company, Limited, Winnipeg, Manitoba and Local 520 of the  
United Packinghouse, Food and Allied Workers



A LABOUR GAZETTE SUPPLEMENT

CANADA DEPARTMENT OF LABOUR

Hon. Bryce Mackasey, Minister

J.D. Love, Deputy Minister





Report of Board of Conciliation and Investigation established to deal with dispute between

Maple Leaf Mills Limited, St. Boniface, Manitoba  
and  
Local 534 of the United Packinghouse, Food and Allied Workers

The Board of Conciliation and Investigation established to deal with a dispute between Maple Leaf Mills Limited, St. Boniface, Man. and Local 534 of the United Packinghouse, Food and Allied Workers was under the chairmanship of R.A. Gallagher, Q.C., of Winnipeg. He was appointed by the Minister of Labour in the absence of a joint recommendation from the other two members, H.B. Monk, Q.C., and Nicholas Wichenko, both of Winnipeg, who were previously appointed on the nomination of the company and union respectively.

The three members of the Board submitted separate reports which were received by the Minister in January.

REPORT OF THE CHAIRMAN

The Board held hearings with the parties on December 11, and 12, 1968, and then adjourned to investigate certain submissions which had been made to it and also to give the parties the opportunity to have further discussions with each other and to consider their respective positions.

Subsequently, as it appeared that it might be worthwhile to do so, the Board reconvened and sat with the parties on January 9, 1969.

Unfortunately, this Board was not able to bring the parties together in settlement of all matters at issue. This is not to say, however, that the services of the Conciliation Officer, and of this Board, were of little value, since, as will be seen from what follows, the majority of items in dispute have been either resolved or withdrawn.

At this point the Board will deal with the original requests of the parties and the present standing of same.

The union's original requests are 56 in number. The company's original requests are 14 in number.

The present standing of these requests are as follows, dealing with the union requests first: settled 24; withdrawn 29; in dispute 17.

The union requests still in dispute are Items 8, 13, 21, 22, 31, 32, 38, 39, 44, 46, 49 to 51, 53 and 54. One might add that these are really the "money matters" at issue between the parties. The company requests still in dispute are Items 13 and 14.

At this point the Board recommends that the parties enter into a new collective agreement embracing in its terms those matters which are designated as being "settled" on the basis of the wording already arrived at by the parties.

The Board now wishes to make its findings and recommendations with respect to the matters still under dispute. The Board is of the opinion that the main issue between the parties is that of wages, and that, if this matter could be resolved, all other issues would be settled very quickly. The Board therefore proposes to deal with the wage issue first.

The union's requests dealing with the wage issue are as follows:

- Item 46 - Provide wage increase of 20 per cent in one contract year.
- Item 49 - Provide for parity with eastern mills.
- Item 50 - Adjustments of 25 cents for tradesmen, electricians, millwrights and operating engineers.
- Item 51 - Union seeks discussion and an adjustment for rates considered to be in their judgment out of line under wage classifications.

While the union appeared to be requesting a 20 per cent across-the-board increase under Item 46, it in fact laid

major emphasis in its submission on the issue of parity with eastern flour mills. The union's argument was simply that the company is a national one, engaged in a national industry and that there is not, and cannot be, any valid reason or argument why a labourer or a grinder, or any other employee, in the St. Boniface plant should receive less than his counterpart in Montreal or Port Colborne, where plants of Ogilvie Flour Mills and Maple Leaf Mills, respectively, are located.

The company, in its submission, placed this issue squarely before this Board. It pointed out that it operates in an industry in which there is a record of flour mills being shut down in Western Canada because the domestic market in this area of the country is relatively minor in relation to total production, and because the market in Alberta and British Columbia is not really open to a Manitoba mill due to the number of mills in Alberta and British Columbia. So far as the eastern markets are concerned, the problem is one from which western Canadians have long suffered. It is cheaper, in terms of freight rates, to ship an unfinished product (wheat) in bulk to eastern mills to be milled than it is to ship a finished product (such as flour) into the eastern markets. The severity of this problem has to some extent been alleviated in the past 5 years or so by the very large exports of flour to Russia, in which this company shared.

For example, in the year ending July 31, 1964, the company sold 58.7 per cent of its St. Boniface plant production for export through eastern ports. In the year ending March 31, 1968, (after adjustment of the year-end had been made), the export percentage had dropped to 48 per cent. (The large Russian contract has expired and has not been renewed.) In the same period of time sales of flour in the Winnipeg area were 12.3 and 14.0 per cent, respectively - an almost negligible increase.

The company's brief was startling in its import. Since the establishing of freight rates with respect to wheat, flour and mill feeds, and the question of subsidies and other allowances, are subjects on which not too many people can speak with authority, the Board decided to have the company's statistics reviewed by persons experienced in these matters. These statistics were presented to the Canadian Wheat Board and this body confirmed, with one minor exception, that the company's figures were accurate. In addition, the Economics and Research Branch of the Department of Labour carried out a study of these figures and, in a most useful and informative paper, also confirmed their accuracy.

The situation, simply stated, is that although the Maple Leaf St. Boniface plant can produce 100 lbs. of flour at a substantially lower cost than the Montreal or Ontario mills,

this goes for naught since the freight charges to move a bag of flour to Montreal or Toronto drive the cost substantially above that of the eastern mills.

This situation is not the fault of the company or the union; it is a fact of life and of geography — a fact which western Canadians may have to live with for some time to come.

The union indicated that, if it could be confirmed that the company's statistics were valid, it would review its position carefully with a view to moderating its demands. After the statistics were validated the union did, in fact, moderate its wage request.

While the union's request originally was for parity with eastern mills, at negotiations and conciliation it modified this to:

35¢ per hour — July 1, 1968 (previous contract ended June 30, 1968).

7½% — January 1, 1969.

7½% — July 1, 1969, and

7½% — January 1, 1970.

The total increase thus requested can be established by using a labourer rate of \$2.13 per hour or about \$2.24 as an average weighted rate.

The company made an initial offer of 15 cents per hour and 10 cents an hour on a two-year agreement, and finally modified this proposal to 20 cents per hour and 15 cents per hour.

Subsequently, before this Board, the union modified its request to 35 cents per hour in each year of a 2-year contract, plus 2 cents per hour, per employee, in each year of a 2-year contract — the latter to be used by the union, with the company's approval, to adjust rates of those employees who are felt to be "lagging behind" a proper wage level.

It was at this point that the company indicated that it could not meet the union's demands and, since the attitudes of the parties appeared to be fixed and inflexible, the Board had no alternative but to advise the parties that it would submit its report to the Minister of Labour.

The union's reply to the company's submission was that the company's difficulties — difficulties over which the company had no control, and which were not in any way attributable to the union — should not result in union members being paid less than their services were worth, in order to subsidize the company directly and the Government of Canada indirectly. While not so clearly stated, the union appeared to say that the proper wage should be paid regardless of the consequences and, that if the present work force wound up out of work, this was a problem which would then have to be faced by the authors of the misfortune.

The issue of parity with eastern mills does not really appeal to this Board. Wage statistics from other geographical areas are always interesting and informative, but, in the process of wage determination, they can be of little assistance until it is established that the cost of living is comparable in all aspects, that job functions are comparable, that geographical economic factors are comparable, and so on. To argue parity with another area, without dealing with the many issues involved in arriving at what is equitable and just, is really no argument at all.

On the issue which is more important to this Board, namely, should the wage increase be 20 cents and 15 cents, as finally proposed by the company, or 35 cents and 35 cents plus, as finally proposed by the union, the Board is faced with a problem over which neither it nor the parties have any control. The problem is this: do the arbiters fly in the face of economic and geographic facts and grant an increase in wages which, while possible to justify, would

probably result in the closing of a mill, with resulting unemployment for over 100 people, or do the arbiters adopt the other approach and suggest a more moderate increase in the hope that the parties will resolve the issue on a basis which will enable the company to continue its operation and the employees to continue at their jobs?

In the Board's opinion the present situation in this industry is such that it is of the greatest importance to the employees involved, and to Western Canada as a whole, that the parties resolve their differences in the area of wages. The Board proposes that they be resolved on the following basis:

July 1, 1968 — 20¢ an hour across the board.

January 1, 1969 — 5¢ an hour across the board.

July 1, 1969 — 20¢ an hour across the board.

January 1, 1970 — 10¢ an hour across the board.

Based on the labour rate (and this Board is advised that the majority of employees of the company fall into this category) of \$2.13 per hour at the end of the last agreement, and \$2.38 after applying the first two proposed increases, one finds that the suggested increases above represent percentage increases as follows:

July 1, 1968 — 20¢ — 9.4%

January 1, 1969 — 5¢ — 2.4%

July 1, 1969 — 20¢ — 8.5%

January 1, 1970 — 10¢ — 4.2%

If one divides the percentage increase in January of each year in half (since the increase applies only for one-half of the year) we have effective percentages of 1.2 and 2.1 respectively, and a total percentage increase in the first year of the agreement of 10.6 per cent and the same in the second year.

It is well known that the pattern of wage increases across Canada in the last 6 or 8 months has been in the area of 7 to 8 per cent. It is also known that governments, economists, responsible employers and unions, etc. are concerned with the effect of spiralling costs and inflation on the economy of our country.

Not all of the foregoing settlements have fallen in the area of 7 to 8 per cent since in some instances past inequities have necessitated larger increases. This very point has been before this Board in its considerations and, in its opinion, the proposed increases can be justified on such basis.

The Board is of the opinion that Item 50 and Item 51 of the union's requests should not be allowed.

The Board therefore finds and recommends as hereinbefore set forth.

#### ITEMS 8 and 13.

Under Item 8 the union is requesting the right to grieve in any instance where a job load, using those words in the sense of job duties or functions, is, in the opinion of the union, excessive.

Under Item 13 the union wishes to restrict the company in the number of bags of flour and bran to be loaded into a box-car.

While the above requests are not identical, one is merely a lesser aspect of the other. Hence it seems logical to deal with them together.

The union's position is simply that it should have the right to grieve if an employee's job functions are increased to what the union considers an excessive level. Under Item 13 the union submits that loading box-cars with 100 lb. bags to a height of 7 or 8 in a pile is heavy work and that the health and safety of the employee is involved.



This Board accepts as a fact that the work under discussion is of a most strenuous nature, but, for the reasons which follow, the Board is not impressed with the union's submission on these points.

First, one would expect the union to bring forward some evidence that excessive work loads have been imposed by the company on at least some employees. No such evidence was given, nor were any incidents cited.

Granting the union's request would so circumscribe the company's operation that it would be unable to operate without constant resort by employees to the grievance procedure.

If evidence of abuse by the company had been produced, some type of grievance procedure might warrant consideration. In the circumstances, however, it does not.

The company has an interest in the welfare of its employees, and a reading of the collective agreement indicates that the company recognizes this interest. If the company makes a job load too harsh or too rigorous it will have difficulty obtaining employees, and this Board's understanding is that the company does not wish such a situation to come about.

This Board therefore recommends that this request not be granted.

The further request concerning box-cars warrants much the same comments. This Board witnessed the loading of some box-cars, and while there can be no doubt that it is extremely heavy work, it was the Board's view that there was nothing inherently dangerous about it.

The union had complained to the appropriate department of the Government some time ago about the safety aspect of such jobs. Government inspectors viewed the situation and gave the opinion that there was no undue hazard involved.

The company provided the Board with a list of employee accidents during the past two years and a review of same indicates that loading *per se* was not the responsible factor in any individual accident.

This Board therefore recommends that this request not be granted.

#### ITEM 21.

The union requests that the company institute a major medical program with the company paying the full cost.

Without going into great detail it might be said that the present welfare plans of the company, for which the company pays the full cost, are an excellent example of enlightened management-labour relations and are probably as comprehensive as one could find in Canada.

The Board therefore recommends that this request not be granted.

#### ITEM 22.

The company at present provides, and pays the full cost of, a weekly benefit insurance plan which provides for payments of \$50 per week for 26 weeks.

The union is requesting \$75 per week for 52 weeks and the company has countered by offering \$55 for 26 weeks.

In the Board's view, the company's offer is a reasonable one, and the Board recommends its implementation.

#### ITEM 31.

The union requests that Saturday be excluded as a part of the normal work week, and if an employee works on that day he shall be paid at the rate of time and one-half.

Having regard to the nature of the employer's business with its seasonal and market fluctuations, lay-offs, etc., such a provision does not appear reasonable to this Board.

The Board therefore recommends that this request not be granted.

#### ITEM 32.

With respect to operating engineers, some of whom must work every day of the week, the union requests that Saturday and Sunday be treated as normal days off and compensated for at time and one-half.

At present an engineer who is scheduled to work on Sunday receives pay at the rate of time and one-quarter.

This Board is of the view that, when hired, an engineer appreciates that he may have to render his services on a work week other than the normal work week of Monday to Friday or Tuesday to Saturday. In these circumstances, to relate payment for such services to the calendar week is completely unrealistic.

This Board's view is that each engineer should have a scheduled work week of 5 consecutive days no matter what particular days they might happen to be. Then, if an engineer works on the sixth day, which is an unscheduled day, he should be paid at the rate of time and one-half and, in addition, if he works on the seventh day, which is also an unscheduled day, he should be paid at the rate of double time.

#### ITEM 38.

This request deals with the question of shift bonuses.

At present the second and third shifts of employees receive a shift bonus of 8½ cents an hour. The union originally requested this be increased to 15 cents for the second shift and 20 cents for the third shift, and then modified this view to 11 cents in the first year of the contract and 12 cents in the second year.

The company has offered 9 cents for the second shift and 12 cents for the third.

The union bases its request on the eastern plants which generally appear to pay 10 cents and 15 cents in this area.

It seems to this Board that the impact of shift work on an employee's life, and that of his family, is as great and disruptive in St. Boniface as it is in any location in Eastern Canada. While general economic factors do enter into this picture, they are not of such importance, in this Board's view, as to warrant the difference as proposed by the company.

The Board therefore recommends that a shift bonus of 10 cents and 15 cents should be implemented.

#### ITEM 39.

This request really involves the situation brought about by the August 1 statutory holiday.

It seems that usually a good number of employees are on vacation immediately preceding this holiday. The holiday is usually celebrated on the first Monday in August which would be the first day that such vacationing employee would be returning to work.

The employee enjoys the Monday holiday and, on returning to work, he apparently works Tuesday to Saturday as a normal work week due to the volume and demands of the company's business.

The union says that Monday is a statutory holiday and that no deduction should be made from the employee's work week, and that Saturday, if worked, would in effect be the sixth working day, payment for which should be at the premium rate.

The company takes the position that it has the right to assign the day to be observed by the employee as the statutory holiday, and that the Monday in question has been so dealt with by the company as to be part of the

employee's vacation, and therefore a work week of Tuesday to Saturday is only a normal work week not requiring any premium rate of pay.

It is this Board's view that, if the statutory holiday falls during an employee's vacation period or on the first working day following the end of his vacation, it should be considered as time worked by that employee no matter when such employee celebrates same.

The Board so recommends.

#### ITEM 44.

The requests under this heading deal with vacations with pay. At present the vacation schedule is as follows:

- 1 to 10 years' service - 2 weeks' vacation
- 10 to 20 years' service - 3 weeks' vacation
- 20 years' service or more - 4 weeks' vacation

The union requested the following:

- 1 year's service - 2 weeks' vacation
- 5 years' service - 3 weeks' vacation
- 10 years' service - 4 weeks' vacation
- 30 years' service - 5 weeks' vacation

The union supported its requests by referring to certain mills in Eastern Canada where 3 weeks' vacation was granted after 8 years' service and 5 weeks after 30 years' service.

It appears that at meetings before the conciliation officer the company proposed, and the union indicated it would accept, 5 weeks' vacation after 30 years' service.

In this Board's opinion the last proposal of the company appears to be reasonable and the Board recommends its implementation commencing with the calendar year 1969.

#### ITEM 53.

The union's request under this point reads as follows:

"Union wants to eliminate the labour pool practice."

The problem, in this instance, relates to personnel hired into the labour pool gang. Then from time to time these employees will be moved into other classifications, allegedly of a semi-skilled nature.

Under the agreement there is a temporary assignment clause so that employees who are moved as aforesaid are paid at the rate of the higher classification.

The union, however, says that the company is using the labour pool as a means of filling these semi-skilled classifications by moving employees into same when required, and out when not required, and while the employee does receive the correct rate of pay the result is that no permanent appointment is made to the existing job classification.

The company answers by saying that fluctuations in the demands for the company's products due to uncertain markets and a severe absenteeism situation, coupled with the absent employee giving no notice or, at most, short notice of his impending absence, necessitates the company making use of labour pool personnel on a temporary basis.

This Board appreciates the views of both parties, but it is not in a position due to lack of information to give a reasoned opinion on the same.

The Board therefore recommends that the union's request not be granted, but suggests that the company review its practice in this connection on a regular basis to ensure that the labour pool personnel are not being made use of for purposes for which such pool was not designed.

#### ITEM 54.

The union's request under this heading reads as follows:

"Maintenance and Boiler Room - provide for increments under learner's rate."

The problem really revolves around the fact that with respect to trainees in these departments the present agreement does not provide for progression from a beginner with no skills to the situation where the employee is qualified, or almost qualified, for the skilled designation.

This is a bad situation in the Board's view, but unfortunately, the Board does not have the knowledge with which to resolve the issue, nor the time essential to acquiring such knowledge.

Therefore, while this Board recommends that the union's request not be granted, it does so with the expectation that the two parties to whom this issue is most important will meet together with the purpose in mind of establishing a proper progression schedule.

There were two company items still under dispute as mentioned before.

#### ITEM 13

The company's request is as follows:

"In the case of a new employee the Company may, during the first thirty days of employment pay training rates up to twenty cents per hour below the regular rate for the job."

The Board is of the opinion that few comments are needed with respect to this point. The Ogilvie plant in the Winnipeg area has agreed to a similar provision with the exception that 10 cents is substituted for the figure shown as above.

This Board is of the view that no reason exists to bring about further differences between local plants in the same industry, and the Board recommends the implementation of the above provision amending "twenty cents" to "ten cents".

#### ITEM 14.

This request by the company relates to the utilization of trainees in the production department at a lesser rate of pay than prescribed.

The Board's comments under Item 54 of the union's requests are pertinent and applicable here.

The Board therefore recommends that this request not be granted.

From the foregoing it is obvious that this Board is recommending to the parties a 2-year agreement effective from July 1, 1968 to June 30, 1970.

The Board believes it has dealt with all of the items under dispute between the parties. If, by chance, some item has been overlooked, this Board reserves to itself the right to deal with, and make recommendations with respect to, such issues.

The Board wishes to congratulate the parties on the excellent spirit of goodwill and understanding exhibited before it. The Board feels sure that the parties will be able to resolve their differences across the negotiating table and without recourse to any further procedures.

Winnipeg, January 25, 1969.

(Signed) R.A. Gallagher,  
Chairman.



## REPORT OF NICHOLAS WICHENKO

I will attempt to outline some of my comments and recommendations for a settlement in the dispute.

I believe it should be pointed out in the report that prior to the spring of 1968, the wage differential between the Montreal and Port Colborne plants in Eastern Canada was approximately 6 cents higher than the Maple Leaf Mills plant at St. Boniface, Manitoba.

In my opinion, the real issue seems to be that the union feels there was, for a number of years, only a 6-cent differential in wages between East and West and for the union to take anything less than the eastern settlement (35 cents and 35 cents) would be taking a step backwards. It must be pointed out, that while there was only a 6-cent difference between East and West, the Maple Leaf Flour Mills in St. Boniface were able to make a profit on their operation.

I am of the opinion that even if the union did accept the company offer, there is no guarantee as to the future of the employees in the St. Boniface plant.

I believe the St. Boniface plant has kept up with the technological developments in the industry and that the skills required in the East and the West are basically the same.

It must be pointed out in the report that the settlement in Eastern Canada was not arrived at until a lengthy strike had taken place. The Board members must take this into consideration and point their recommendations toward avoiding a similar situation in Manitoba.

Therefore I would suggest that the following wage settlement should be the Conciliation Board report.

July 1/68 . . . . 20¢ across the board

Jan. 1/69 . . . . 15¢ across the board

July 1/69 . . . . 20¢ across the board

Jan. 1/70 . . . . 15¢ across the board

I would like to point out that with this type of recommendation the St. Boniface company would still have a labour cost advantage over the eastern companies and at the same time it would alleviate the fears of the union members in the St. Boniface plant of taking a step backwards.

As for Items 50 and 51, I am of the opinion that an extra 2 cents across the board should be granted for the purpose of forming a fund that would be used to increase the skilled trade rates. The company and union have used this method of increasing the skilled rate and I see no reason why it should not be continued. I recommend a 2-cent increase across the board, to be effective January 1, 1969.

### ITEMS 8 and 13

It is my understanding that part of the problem arising out of these two items is due mainly to the difficulty of maintaining employees in the loading operations. I believe that the company and the union should be able to sit down and resolve these problems. The union is requesting the same type of contract language as exists in some of the eastern contracts.

### ITEM 21

Instituting a major medical program at this time would be very difficult because the Manitoba Medical Plan is to undergo a change in April 1969.

### ITEM 22

I would suggest that the weekly benefit insurance plan be increased another \$5 a week, effective July 1, 1969. I understand that the same provisions have been granted in the second year of the eastern contracts.

### ITEM 31

The union's request for time and one-half for Saturday is reasonable. Most industries are on a 5-day week and the following eastern contracts contain such language.

(a) Ogilvie - Montreal - Article 10

(b) Robin Hood - Montreal - Article XIII

(c) Maple Leaf - Montreal - Article 15

### ITEM 32

I believe engineers should be paid the normal overtime rates for Saturday or Sunday regardless of whether it is their normal day or not. I do not think the union's requests are unreasonable.

### ITEM 38

I would agree with the chairman's recommendation.

### ITEM 39

I would agree with the chairman's recommendation.

### ITEM 44

I would recommend the following vacation schedule, effective 1969.

1 year's service . . . . 2 weeks' vacation

8 years' service . . . . 3 weeks' vacation

15 years' service . . . . 4 weeks' vacation

30 years' service . . . . 5 weeks' vacation

### ITEM 53

I believe that the labour pool force should be limited to a maximum of 5 per cent of the work force. This, in my opinion, should be the settlement arrived at between the company and the union.

### ITEM 54

I would recommend that the apprenticeship period for the learner be established at 1 year. During that period the learner should receive 4 equal increases to bring him up to the journeyman rate. I do not believe this type of apprenticeship is unreasonable for the maintenance and boiler room classifications.

Company items under dispute:

### ITEM 13

I would agree with the chairman's recommendation.

### ITEM 14

I would agree that this request not be granted. The agreement should run for a 2-year period, effective July 1, 1968 to June 30, 1970.

It must be pointed out that many unions in Canada are seeking parity with their counterparts in the United States. Some of my recommendations are based on something less than parity with the union's counterpart in Eastern Canada. I hope that the matters in dispute can be resolved at the bargaining table.

(Signed) Nicholas Wichenko,  
Member

## REPORT OF HENRY B. MONK, Q.C.

The facts and the course of the conciliation proceedings in this matter are accurately set out in the report of the Board which has been signed by the chairman. I agree with all of the findings and recommendations set out in that report with the exception of those relating to wages and shift premiums or bonuses.

In respect of wages, the position of the union that wages should be related to the wages paid by eastern mills, does not seem realistic. The Board is advised that the majority of the employees in the bargaining unit fall into the category that receives the basic labour rate paid by the company which at the end of the last collective agreement was \$2.13 an hour. The employers who would be competing for the services of such employees in the event that they determined to leave their present employment with the company, would be employers of similar labour in the Winnipeg area. This Board must endeavour to value such services and ascertain the competing wages paid in the Winnipeg area.

The Board has been supplied with typical figures from other employers, and these in the course of the consideration by the Conciliation Board were submitted to the Department of Labour for review as indicated in the report

signed by the chairman. A review of the increases granted in the Winnipeg area on 2-year agreements by such employers indicates increases of 16 to 18 per cent in the labour rate over the period of the agreement, namely 2 years. Maple Leaf Mills Limited has offered a wage increase of 20 cents in the first year, and 15 cents in the second year, which is an increase approximating 16 per cent, and this when applied to the labour rate raises such rate to a level which the Department of Labour has indicated compares favourably with similar rates paid by other large employers in this area. In view of the foregoing, I would recommend that the company's offer as to wages be accepted.

In relation to shift premiums, the same considerations are applicable. The final offer of the company of 9 cents for the second shift and 12 cents for the third shift is consistent with the shift premiums or bonuses paid by other employers in this area, and I will also recommend that it be accepted.

Winnipeg, January 27, 1969.

(Signed) Henry B. Monk,  
Member

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### Report of Board of Conciliation and Investigation established to deal with dispute between

Ogilvie Flour Mills Company, Limited, Winnipeg, Manitoba  
and  
Local 520 of the United Packinghouse, Food and Allied Workers

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The Board of Conciliation and Investigation established to deal with a dispute between Ogilvie Flour Mills Company, Limited, Winnipeg, Man. and Local 520 of the United Packinghouse, Food and Allied Workers was under the chairmanship of R.A. Gallagher, Q.C., of Winnipeg. He was appointed by the Minister of Labour in the absence of a joint recommendation from the other two members, H.B. Monk, Q.C., and Nicholas Wichenko, both of Winnipeg, who were previously appointed on the nomination of the company and union, respectively.

The three members of the Board submitted separate reports which were received by the Minister in January.

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## REPORT OF THE CHAIRMAN

The Board held hearings with the parties on December 4 and 5, 1968.

Subsequently a Board composed of the same members dealt with matters in dispute between Maple Leaf Mills, St. Boniface, Manitoba, and the same union, and due to the fact that the issues considered in that case bear a great similarity to the issues in this case, this report and the recommendations contained herein were delayed to enable both reports to be filed at the same time.

This Board was also unable to bring the parties together in settlement of all matters at issue, but, as will be seen from what follows, the majority of items in dispute have been either resolved or withdrawn.

At this point the Board will deal with the original requests of the parties and the present standing of same.

The union's original requests are 44 in number; the company's original requests are 5 in number.

The present standing of these requests are as follows: settled 16; withdrawn 14; in dispute 18.

The union requests still in dispute are Items 17, 18, 19, 20, 22, 26, 27, 29, 34, 36, 37, 39, 41, 42, 43 and 44. The company requests still in dispute are Items 2 and 5, and Item 4 has been agreed to in principle although the actual wording of the amendment has not been resolved. One might add that the union matters still in dispute are really the "money matters" at issue between the parties.

At this point the Board recommends that the parties enter into a new collective agreement embracing in its terms those matters which are designated as being "settled" on the basis of the wording arrived at by the parties.

The Board now wishes to make its findings and recommendations with respect to the matters still under dispute. The Board is of the opinion that the main issue between the parties is that of wages, and that, if this matter could be resolved, all other issues would be settled very quickly. The Board therefore proposes to deal with wage issue first.



The union's requests dealing with the wage issue are as follows:

Item 42 — General Wage Increase

- (a) 25% — one year,
- (b) Extra 25% for skills,
- (c) Equal rates for females, and
- (d) Parity with eastern rates.

Nothing brought before this Board by either the company or union changes the Board's view as formulated in the conciliation matter involving Maple Leaf Mills Limited and this union as to the wage increase which should be granted.

The Board therefore sets out the substance of its remarks from that Board's report, and states that its findings and recommendations in that case should be implemented here as well.

While the union appeared to be requesting a 25 per cent across-the-board increase under this Item, it in fact laid major emphasis in its submission on the issue of parity with eastern flour mills. The union's argument was simply that the company is a national one, engaged in a national industry and that there is not, and cannot be, any valid reason or argument why a labourer or a grinder, or any other employee, in the Winnipeg plant should receive less than his counterpart in Montreal or Port Colborne, where plants of Ogilvie Flour Mills and Maple Leaf Mills, respectively, are located.

This company also placed the economic issue squarely before this Board. It too pointed out that it operates in an industry in which there is a record of flour mills being shut down in Western Canada because the domestic market in this area of the country is relatively minor in relation to total production, and because the market in Alberta and British Columbia is not really open to a Manitoba mill due to the number of mills in Alberta and British Columbia. So far as the eastern markets are concerned, the problem is one from which western Canadians have long suffered. It is cheaper, in terms of freight rates, to ship an unfinished product (wheat) in bulk to eastern mills to be milled than it is to ship a finished product (such as flour) into the eastern markets. The severity of this problem has to some extent been alleviated in the past 5 years or so by the very large exports of flour to Russia, in which this company shared.

The situation, simply stated, is that although the Winnipeg plant of the company can produce 100 lbs. of flour at a substantially lower cost than the Montreal or Ontario mills, this goes for naught since the freight charges to move a bag of flour to Montreal or Toronto drive the cost substantially above that of the eastern mills.

This situation is not the fault of the company or the union; it is a fact of life and of geography — a fact which western Canadians may have to live with for some time to come.

The union indicated that, if it could be confirmed that the company's statistics were valid, it would review its position carefully with a view to moderating its demands. After the statistics were validated the union did, in fact, moderate its wage request.

While the union's request originally was for parity with eastern mills, at negotiations and conciliation it modified this to:

35¢ an hour — July 1, 1968 (previous contract ended June 30, 1968).

- 7½% — January 1, 1969.
- 7½% — July 1, 1969, and
- 7½% — January 1, 1970.

The total increase thus requested can be established by using a labourer rate of \$2.13½ an hour or about \$2.24 as an average rate.

The company made an initial offer of 15 cents per hour and 10 cents an hour on a two-year agreement, and finally modified this to 20 cents an hour and 15 cents an hour.

Subsequently, before this Board, the union modified its request to 35 cents an hour in each year of a 2-year contract, plus 3 cents an hour, per employee, in each year of a 2-year contract — the latter to be used by the union, with the company's approval, to adjust rates of those employees who are felt to be "lagging behind" a proper wage level.

It was at this point that the company indicated that it could not meet the union's demands and, since the attitudes of the parties appeared to be fixed and inflexible, the Board had no alternative but to advise the parties that it would submit its report to the Minister of Labour.

The union's reply to the company's submission was that the company's difficulties — difficulties over which the company had no control, and which were not in any way attributable to the union — should not result in union members being paid less than their services were worth, in order to subsidize the company directly and the Government of Canada indirectly. While not so clearly stated, the union appeared to say that the proper wage should be paid regardless of the consequences, and that, if the present work force wound up out of work, this was a problem which would then have to be faced by the authors of the misfortune.

The issue of parity with eastern mills does not really appeal to this Board. Wage statistics from other geographical areas are always interesting and informative, but, in the process of wage determination, they can be of little assistance until it is established that the cost of living is comparable in all aspects, that job functions are comparable, that geographical economic factors are comparable, and so on. To argue parity with another area, without dealing with the many issues involved in arriving at what is equitable and just, is really no argument at all.

On the issue which is more important to this Board, namely, should the wage increase be 20 and 15 cents, as finally proposed by the company, or 35 and 35 cents-plus, as finally proposed by the union, the Board is faced with a problem over which neither it nor the parties have any control. The problem is this: do the arbiters fly in the face of economic and geographic facts and grant an increase in wages which, while possible to justify, would probably result in the closing of a mill, with resulting unemployment for over 100 people, or do the arbiters adopt the other approach and suggest a more moderate increase in the hope that the parties will resolve the issue on a basis which will enable the company to continue its operation and the employees to continue at their jobs?

In the Board's opinion the present situation in this industry is such that it is of the greatest importance to the employees involved, and to Western Canada as a whole, that the parties resolve their differences in the area of wages. The Board proposes that they be resolved on the following basis:

- July 1, 1968 — 20¢ an hour across the board.
- January 1, 1969 — 5¢ an hour across the board.
- July 1, 1969 — 20¢ an hour across the board.
- January 1, 1970 — 10¢ an hour across the board.

Based on the labour rate (and this Board is advised that the majority of employees of the company fall into this category) of \$2.13½ an hour at the end of the last agreement, and \$2.38½ after applying the first two proposed

increases, one finds that the suggested increases above represent percentage increases as follows:

July 1, 1968 - 20¢ - 9.4%  
January 1, 1969 - 5¢ - 2.4%  
July 1, 1969 - 20¢ - 8.5%  
January 1, 1970 - 10¢ - 4.2%

If one divides the percentage increase in January of each year in half (since the increase applies only for one-half of the year) we have effective percentages of 1.2 and 2.1, respectively, and a total percentage increase in the first year of the agreement of 10.6 and the same in the second year.

It is well known that the pattern of wage increases across Canada in the last 6 or 8 months has been in the area of 7 to 8 per cent. It is also known that governments, economists, responsible employers and unions, etc. are concerned with the effect of spiralling costs and inflation on the economy of our country.

Not all of the foregoing settlements have fallen in the area of 7 to 8 per cent since in some instances past inequities have necessitated larger increases. This very point has been before this Board in its considerations and, in its opinion, the proposed increases can be justified on such basis.

The Board is of the opinion that the balance of the union's requests under this Item should not be allowed.

The Board therefore finds and recommends as hereinbefore set forth.

Items 17 and 18.

Under Item 17 the union is requesting the right to grieve in any instance where a job load, using those words in the sense of job duties or functions, is, in the opinion of the union, excessive.

Under Item 18 the union wishes to restrict the company in the number of bags of flour and bran to be loaded into a box-car.

While the above requests are not identical, one is merely a lesser aspect of the other. Hence it seems logical to deal with them together.

The union's position is simply that it should have the right to grieve if an employee's job functions are increased to what the union considers an excessive level. Under Item 18 the union submits that loading box-cars with 100 lb. bags to a height of 7 or 8 in a pile is heavy work and that the health and safety of the employee is involved.

This Board accepts as a fact that the work under discussion is of a most strenuous nature, but, for the reasons which follow, the Board is not impressed with the union's submission on these points.

First, one would expect the union to bring forward some evidence that excessive work loads have been imposed by the company on at least some employees. No such evidence was given, nor were any incidents cited.

Granting the union's request would so circumscribe the company's operation that it would be unable to operate without constant resort by employees to the grievance procedure.

If evidence of abuse by the company had been produced, some type of grievance procedure might warrant consideration. In the circumstances, however, it does not.

The company has an interest in the welfare of its employees, and a reading of the collective agreement indicates that the company recognizes this interest. If the company makes a job load too harsh or too rigorous it will have difficulty obtaining employees, and this Board's understanding is that the company does not wish such a situation to come about.

This Board therefore recommends that this request not be granted.

The further request concerning box-cars warrants much the same comments. This Board witnessed the loading of some box-cars, and while there can be no doubt that it is extremely heavy work, it was the Board's view that there was nothing inherently dangerous about it.

The same union (although a different local) in the Maple Leaf plant had complained to the appropriate department of the Government some time ago about the safety aspect of such jobs. Government inspectors viewed the situation and gave the opinion that there was no undue hazard involved.

This Board therefore recommends that this request not be granted.

Items 19 and 20.

The union's requests read as follows:

Delete "one working day for welfare coverage" and insert "Company to pay all welfare when an employee is off sick on weekly indemnity, compensation and lay-off up to three months. Company to waive 3 waiting days if hospitalized within the first 3 days."

At present the company has an excellent welfare plan with the company paying the full premium cost of same.

If an employee is on lay-off or is off sick but has worked one day in the month the company absorbs the premium costs. If an employee, however, is off sick or on lay-off and does not work the said one day, the company pays the premiums but deducts same from the employee upon his return to work.

In the event that an employee is injured and is on compensation the company pays the full premium costs during such period.

This Board is of the opinion that the company's present practice is fair and equitable, and the Board recommends that these requests not be granted.

Item 22.

The union was requesting originally that all welfare plans be listed in detail in the collective agreement, and that a new clause be inserted in the agreement to provide that if a government sponsored health scheme should come into effect any saving to the company would be used to purchase further benefits for the employee or passed along to him as an increase in salary.

The union later abandoned the request for the passing on of any saving as a salary increase.

At present all welfare plans are mentioned in the agreement (although not set out in detail) with the exception of major medical, which is being requested by the union, and which will be dealt with hereunder. In the past, the parties have exchanged correspondence on these welfare plans setting out in detail the company's participation and what the employee can expect.

This Board is of the opinion that there is no particular need to spell out the details of such plans in the collective agreement, since the practice which has existed up to this date appears to have proved satisfactory.

With regard to the union's second request, it is the opinion of this Board that if a government-sponsored medicare plan is introduced in this province during the life of the renewed agreement then the company should agree to maintain approximately the same level and degree of benefits as exists today at its expense.

The Board accordingly recommends that this request not be granted.



Item 26.

The union requests: "When an employee is called in on an emergency call during a statutory holiday, double his normal rate shall apply."

At present, there is a provision in the agreement regarding emergency calls which provides for either 4 hours straight time or normal overtime at time and one-half, whichever is the greater. However, there is no specific provision concerning emergency calls on statutory holidays.

In the Board's view, work on a statutory holiday has a different significance from normal overtime work. If the employee is actually celebrating the statutory holiday and is called in on an emergency it would seem only fair that he should receive some premium for this disruption of his life.

This Board is of the opinion, and it so recommends, that in such circumstances the employee concerned should receive double his hourly rate for all hours worked or pay for a minimum of 4 hours at straight time rates, whichever is the greater.

Item 27.

The union requests are as follows:

- (a) Work in excess of 12 consecutive hours to be paid at double time rates.
- (b) An employee called back to work within 8 hours of finishing a normal shift shall be paid at the rate of time and one-half for all additional time worked.
- (c) Forty hours a week consisting of 5 consecutive 8-hour days Monday to Friday shall constitute a work week.
- (d) All work performed on Sunday to be paid at the rate of double time.
- (e) That all work performed on a Saturday be paid at the rate of time and one-half.

This Board recommends the implementation of clauses (a) and (b) above, and recommends that the requests in clauses (c), (d) and (e) not be granted.

Item 29.

With respect to operating engineers, some of whom must work every day of the week, the union requests that Saturday and Sunday be treated as normal days off and compensated for at time and one-half.

At present an engineer who is scheduled to work on Sunday receives pay at the rate of time and one-quarter.

This Board is of the view that, when hired, an engineer appreciates that he may have to render his services on a work week other than the normal work week of Monday to Friday or Tuesday to Saturday. In these circumstances, to relate payment for such services to the calendar week is completely unrealistic.

This Board's view is that each engineer should have a scheduled work week of 5 consecutive days no matter what particular days they might happen to be. Then, if an engineer works on the sixth day, which is an unscheduled day, he should be paid at the rate of time and one-half and, in addition, if he works on the seventh day, which is also an unscheduled day, he should be paid at the rate of double time.

Item 34.

This Board cannot see the merit in the union's requests hereunder and recommends that same not be granted.

Item 36.

This Board recommends a two-year contract from July 1, 1968 to June 30, 1970.

Item 37.

The union requests that the company institute a major medical program with the company paying the full cost.

Without going into great detail it might be said that the present welfare plans of the company, for which the company pays the full cost, are an excellent example of enlightened management-labour relations and are probably as comprehensive as one could find in Canada.

The company, at negotiations, had offered 1 cent an hour to improve medical coverage as the parties might agree. However, in view of the Board's overall award on wages and fringe benefits it is the Board's recommendation that this request not be granted.

Item 39.

The requests under this heading deal with vacations with pay. At present the vacation schedule is as follows: 2 weeks after one year; 3 weeks after 10 years; and 4 weeks after 20 years.

The union requested the following: 2 weeks' vacation after one year's service; 3 weeks' vacation after five years' service; 4 weeks' vacation after 10 years' service; and 5 weeks' vacation after 30 years' service.

The union supported its requests by referring to certain mills<sup>2</sup> in Eastern Canada where 3 weeks' vacation was granted after 8 years' service and 5 weeks after 30 years' service.

It appears that at meetings before the conciliation officer the company proposed, and the union indicated it would accept, 5 weeks' vacation after 30 years' service.

In this Board's opinion the last proposal of the company appears to be reasonable and the Board recommends its implementation commencing with the calendar year 1969.

Item 41.

This request deals with the question of shift bonuses.

At present the second and third shifts of employees receive a shift bonus of 7 cents an hour and 10 cents an hour, respectively. The union originally requested this be increased to 15 cents for the second shift and 20 cents for the third shift, and then modified this view to 11 cents in the first year of the contract and 12 cents in the second year.

The company has offered 8 cents for the second shift and 12 cents for the third.

The union bases its request on the eastern plants which generally appear to pay 10 and 15 cents in this area.

It seems to this Board that the impact of shift work on an employee's life, and that of his family, is as great and disruptive in Winnipeg as it is in any location in Eastern Canada. While general economic factors do enter into this picture, they are not of such importance, in this Board's view, as to warrant the difference as proposed by the company.

The Board therefore recommends that a shift bonus of 10 cents and 15 cents should be implemented.

Item 43.

The Board sees no merit in this request and recommends it not be granted.

Item 44.

The union requests a clause to protect it from management "contracting out" work which the union feels properly belongs to the bargaining unit.

The Board was not given sufficient information on which to determine the merits of the union's request, and the Board is not in a position to formulate a proper opinion on the same.

This Board therefore recommends that the union's request not be granted.

Item 2.

The company requested a clause reading as follows: "In the event of any strike, walk-outs or stoppages of work, employees whose work is required for plant protection shall be permitted to perform such services without interference from the union."

This proposed amendment was originally agreed to by the union who later withdrew their agreement.

It would seem to this Board that there is nothing really objectionable to this clause so long as it is clearly understood that it is confined to plant protection, and this Board recommends that the same be granted.

Item 5.

This relates to the manner of qualifying for statutory holidays.

The same problem arose in the Maple Leaf matter and the parties arrived at a settlement.

This Board recommends that the same settlement be implemented here.

Item 4.

The parties are agreed in principle and should be able to arrive at mutually satisfactory wording of the new clause.

The Board believes it has dealt with all of the items in dispute between the parties. If, by chance, some item has been overlooked, this Board reserves to itself the right to deal with, and make recommendations with respect to, such item.

The Board wishes to thank the parties for the excellent assistance which they gave to it.

Winnipeg, January 25, 1969.

(Signed) R.A. Gallagher,  
Chairman

REPORT OF HENRY B. MONK, Q.C.

The facts and the course of the conciliation proceedings in this matter are accurately set out in the report of the Board which has been signed by the chairman. I agree with all of the findings and recommendations set out in that report with the exception of those relating to wages and shift premiums or bonuses.

In respect to wages, the position of the union that wages should be related to the wages paid by eastern mills, does not seem realistic. The Board is advised that the majority of the employees in the bargaining unit fall into the category that receives the basic labour rate paid by the company which at the end of the last collective agreement was \$2.13½ an hour. The employers who would be competing for the services of such employees in the event that they determined to leave their present employment with the company, would be employers of similar labour in the Winnipeg area. This Board must endeavour to value such services and ascertain the competing wages paid in the Winnipeg area.

The Board has been supplied with typical figures from other employers, and these in the course of the considera-

tion by the Conciliation Board were submitted to the Department of Labour for review. A review of the increases granted in the Winnipeg area on 2-year agreements by such employers indicates increases of 16 to 18 per cent in the labour rate over the period of the agreement, namely 2 years. Ogilvie Flour Mills Company, Limited offered a wage increase of 20 cents in the first year, and 15 cents in the second year, which is an increase approximating 16 per cent, and this when applied to the labour rate raises such rate to a level which the Department of Labour has indicated compares favourably with similar rates paid by other large employers in this area. In view of the foregoing, I would recommend that the company's offer as to wages be accepted.

In relation to shift premiums, the same considerations are applicable. The final offer of the company of 9 cents for the second shift and 12 cents for the third shift is consistent with the shift premiums or bonuses paid by other employers in this area, and I will also recommend that it be accepted.

Winnipeg, January 29, 1969.

(Signed) Henry B. Monk, Q.C.  
Member

REPORT OF NICHOLAS WICHENKO

According to my notes, the following items are still in dispute. Union submission: Items 17, 18, 19, 20, 22 (F), 26, 27, 29, 31, 36, 37, 39, 41, 42 and 44. Company submission: Items 4 and 5.

I would first like to deal with Item 42 which is the wage issue. In my opinion, this is the most important item. If the union and the company were able to resolve this item then I am sure that the other problems in dispute could be resolved.

It should be pointed out in the report that prior to the spring of 1968, the wage differential between the Montreal and Port Colborne plants in Eastern Canada was approximately 6 cents higher than the Ogilvie Flour Mills plant in Winnipeg.

In my opinion, the real issue seems to be that the union feels there was, for a number of years, only a 6-cent differential in wages between East and West and for the union to take anything less than the eastern settlement (35 cents and 35 cents) would be taking a step backwards. It must be pointed out, that while there was only a 6-cent difference between East and West, the Ogilvie Flour Mills in Winnipeg were able to make a profit on their operation.

I am of the opinion that even if the union did accept the company offer, there is no guarantee as to the future of the employees in the Winnipeg plant.

I believe the Winnipeg plant has kept up with the technological developments in the industry and that the skills required in the East and the West are basically the same.

It must be pointed out in the report that the settlement in Eastern Canada was not arrived at until a lengthy strike had taken place. The Board members must take this into consideration and point their recommendations toward preventing a similar situation in Manitoba.



Therefore, I would suggest that the following wage settlement should be the Conciliation Board report.

July 1, 1968 . . . . 20¢ across the board  
Jan. 1, 1969 . . . . 15¢ across the board  
July 1, 1969 . . . . 20¢ across the board  
Jan. 1, 1970 . . . . 15¢ across the board

I would like to point out that with this type of recommendation, the Winnipeg company would still have a labour advantage over the eastern companies and at the same time it would alleviate the fears of the union members in the Winnipeg plant of taking a step backwards. I would also recommend that an extra 2 cents across the board be granted for the purpose of forming a fund that would be used to increase the skilled trade rates. The company and union have used this method to increase the skilled rate and I see no reason why it should not be continued. I recommend a 2-cent increase across the board to be effective January 1, 1969.

#### Items 17 and 18

It is my understanding that part of the problem arising out of these two items is due mainly to the difficulty of maintaining employees in the loading operations. I believe that the company and the union should be able to sit down and resolve these problems. I would grant the union's request for the same type of contract language as exists in some of the eastern contracts.

#### Items 19 and 20

The union is seeking to have the company pay welfare coverage for those employees who are off sick on weekly indemnity compensation or laid off up to 3 months. They also want the company to waive the 3 waiting days if hospitalized within the first 3 days.

I do not feel this is unreasonable and I would agree with the union's request.

#### Item 22(F)

Manitoba Medicare will probably be introduced on April 1, 1969. It is my recommendation that the company give the union a letter saying that the level of benefits now in effect will be maintained when medicare comes to Manitoba.

#### Item 26

The union is requesting a new clause under emergency calls: "When an employee is called in on an emergency call during a statutory holiday, double his normal rate shall apply." I do not believe this item is unreasonable and I would agree with the union's request.

#### Item 27

The two sections of this item that are not resolved are: The request for double time after 12 hours and time and one-half for working on Saturdays. I would agree with the union that these two sections should be implemented.

#### Item 29

I would agree with the union's request that the engineers, who are normally scheduled to work on Sunday, should be paid time and one-half (1½) for such work. The engineers now receive time and one-quarter for such work.

#### Item 31

The union is requesting one extra paid holiday, Remembrance Day, November 11. I would agree with the union's request for one extra holiday and I also agree that the employee should receive a shift bonus for that holiday when applicable.

#### Item 36

In regards to this item, it is my understanding that the company has offered an increase of \$5 a week for the weekly indemnity. This provides payments of \$55 a week for the 26-week period. I would recommend a further \$5 increase effective July 1, 1969. I understand that the same provisions have been granted in the second year of the eastern settlements.

#### Item 39

Vacations with Pay - The union is requesting 5 weeks after 30 years' service. It is my understanding that this section is the only one in dispute. I would recommend 5 weeks' vacation with pay after 30 years, effective in 1969.

#### Item 41

I would recommend, that the shift bonus of 10 cents for the second shift and 15 cents for the third shift, be implemented. This recommendation would maintain the same level of shift bonuses as is paid in the eastern plants.

#### Item 44

I would agree with the union's request to add the following new clause to Section 2 - Recognition: "Except for emergencies or necessary instructions, no employee or person who is excluded from the bargaining unit shall perform any work coming within the bargaining unit."

#### Company items under dispute:

#### Item 4

The company is requesting that the following clause be added to Section 13 of the contract. "The Union recognizes that if through some emergencies an employee is unable to report for work, it will be the duty of the employee to notify the company in reasonable time so arrangements can be made for replacement. Failure to do so without a reasonable excuse or doctor's certificate in case of sickness, may result in dismissal."

I believe it is the duty of the employee to notify the company as soon as possible if he is unable to report for work. I cannot agree with the wording of that particular clause. For example, what might appear reasonable to the employee might not be reasonable to the company. I do not believe a clause of this type is necessary for a proper company and employee understanding.

#### Item 5

I do not recommend the company request of requiring the employee to work at least 15 days during the 30 calendar days immediately preceding the holiday before the employee receives his holiday pay. The provision in the contract now requires that the employee must work his regular shift immediately prior to and after the holiday. I would suggest that this requirement is sufficient.

#### Item 36

The agreement should run for a 2-year period, effective July 1, 1968 to June 30, 1970.

It must be pointed out that many unions in Canada are seeking parity with their counterparts in the United States. Some of my recommendations are based on something less than parity with the union's counterpart in Eastern Canada. I hope that the matters in dispute can be resolved at the bargaining table.

(Signed) Nicholas Wichenko  
Member







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No 2, 1969

# CONCILIATION BOARD REPORTS together with CLRB REASONS FOR JUDGMENT

**Conciliation Board in dispute between:**

Canadian Broadcasting Corporation and Association of Radio and Television Employees of Canada.

**Reasons for Judgment in Application for Certification Affecting:**

National Association of Broadcast Employees and Technicians (Applicant) and the Alberta Government Telephones Commission (CKUA, Edmonton). Interveners: The Alberta Government Telephones Clerical Group, International Brotherhood of Electrical Workers, and the Attorney-General of Alberta.



CANADA DEPARTMENT OF LABOUR

Hon. Bryce Mackasey, Minister

J.D. Love, Deputy Minister





Report of Board of Conciliation established to deal with dispute between:

Canadian Broadcasting Corporation  
and  
Association of Radio and Television Employees of Canada

The Board was under the Chairmanship of Professor H.W. Arthurs of Toronto. He was appointed by the Minister on the joint recommendation of the other two members of the Board, Gordon Harrison, and Marc Lapointe, Q.C., both of Montreal, who were previously appointed on the nomination of the Corporation and union, respectively. The report was received by the Minister of Labour in March.

The history of negotiations between these parties is a long one indeed. Notice to bargain was given by the union on October 2, 1967, and the parties first met together on November 7 and 8, 1967. A series of meetings followed, involving initially only the parties, later a conciliation officer appointed by the Canada Department of Labour. This board was fully constituted on December 8, 1968, and it met with the parties for a total of 10 days between January 15 and February 16, 1969.

We regret to report that we have failed to effect a settlement of all issues outstanding between the parties, although we do believe that the remaining non-monetary issues (at least) could now be disposed of without difficulty by the parties.

At the resumption of negotiations of February 12, 1969, the parties prepared lists of those matters upon which they were agreed, and those matters which were still in dispute. After further negotiation, on February 16 the Corporation presented the union with a "finalization package proposal", which was replied to by the union on the same day. The Corporation's proposal and the union's reply are attached.

We recommended the parties accept and incorporate into their agreement all those matters which were listed as settled on February 12, and we urged them to dispose of the other matters in dispute in accordance with the following recommendations:

1. Inclement weather: In its "finalization package proposal", the corporation prepared a draft of a clause relating to this item. In replying to the corporation's proposal of February 16, the union indicated its willingness to accept this clause. Accordingly, we recommend that it be incorporated in the collective agreement on the basis outlined in the company's "finalization package proposal".
2. Automatic progression: (as in item 1)
3. Mileage allowance: (as in item 1)
4. Sales representative's car allowance: (as in item 1)
5. Announcer jurisdiction: After considerable discussion, the parties reached substantial agreement on the method of dealing with the difficult problem of announcer jurisdiction. This agreement is reflected in the "finalization package proposal" of February 16, 1969.

The only issue of substance remaining between the parties relates to be frequency with the CBC is

to be entitled to trespass each day upon the exclusive jurisdiction of announcers over the reading of news. The Corporation proposal is that this privilege be exercisable once each day in each medium (radio and T.V.) in each of the major production centres (Toronto and Montreal). The union, on the other hand, wishes to restrict the privilege to a daily newscast in each major production centre, which presumably could be in either radio or television, but not both.

We recommended adoption of the corporation position in this regard. In order to achieve any continuity of format in presentation, it is necessary for the corporation to be able to put on the same kind of program each day in each medium. Otherwise, the anomaly would result that on alternate days, presumably, there might be a "new style" newscast on radio and an old one on television, and vice versa. This arrangement simply does not make good program sense, and we urged the union to abandon it in favour of the corporation proposal, which does represent a substantial modification of the corporation's initial stand.

Two procedural problems must also be confronted. First, the substantive settlement of this issue envisages a period of experimentation in the employment of announcers which, if successful, is to lead to a permanent easement of their jurisdictional claim. The announcers are anxious to have a means of protecting their position in the post-experiment period, after the easement of jurisdiction has occurred; the Corporation is agreeable in principle; the problem is by what means. We propose the following language:

It is further agreed that following the waiver period, when the union has eased its exclusive jurisdiction in the manner quoted above, the requirements established and met by the Corporation during the waiver period must be maintained for the duration of the collective agreement. In the event that the Union considers that the Corporation has failed to do so, it may refer the matter to the National Joint Committee. In the event that the National Joint Committee fails to resolve the matter within 30 days after being notified of its existence, either party may seek arbitration in the manner provided above. The arbitrator shall hear the matter within 30 days of being informed of the desire of either party for arbitration and shall deliver his award within a further period of 14 days.

A second problem relates to the designation of a named arbitrator for the purpose of administering these arrangements. In order to avoid frustrating the entire scheme, in the event the individual named should become unavailable, the parties should provide:

In the event the named arbitrator notifies the parties that he is unable to serve, they shall confer and seek to agree upon another arbitrator. In the event that they are unable to agree upon another arbitrator within 7 days of being advised of the unavailability of the individual named, either party may request the federal Minister of Labour to designate an arbitrator, within a further period of 7 days.

6. Successor rights: The union sought inclusion in the collective agreement of a provision requiring the CBC to recognize as the bargaining agent of the employees any union with which ARTEC might become affiliated during the term of the collective agreement, and to recognize the continuity of the agreement itself. The Corporation expressed itself very strongly as opposed to any commitment to recognize a successor union (should these circumstances arise) because it did not wish to "play favourites" as between unions which might conceivably be competing for the loyalty of employees.

While there is a good deal to be said for ensuring the right of employees to freely select their own bargaining agent, without the interference of their employer, there is the countervailing consideration of continuity and stability in industrial relations, which should persuade the Corporation to be co-operative in avoiding disruption in a succession situation. The legitimacy of this second consideration is attested to by "successor rights" provisions in many provincial labour relations statutes. Both interests, we felt, would have been served by providing for a secret ballot to test the desire of the employees to be represented by the successor union, to be conducted by some outside agency (other than the Canada Labour Relations Board). The outcome of such a ballot would presumably place the CBC under a moral obligation to recognize the successor, and would avoid the necessity of an application for certification by the successor.

For reasons best known to itself, the CBC declined to accept our suggestion, and remains adamant in refusing to agree to recognize any transfer of bargaining rights based upon the succession of another union to ARTEC's bargaining rights. Since the Industrial Relations and Disputes Investigation Act does provide for certification as a means of resolving this issue, however unsatisfactory, we hesitate to foist the union's position on the CBC, and we consequently recommend that the union abandon its efforts to obtain this provision in the agreement.

7. Job evaluation: The parties reached substantial agreement on language covering job evaluation, leaving for further consideration the problem of red circling. We recommend to the parties that they adopt language covering job evaluation as indicated in the "finalization package proposal" of February 16.
8. Red Circling: The parties reached substantial agreement on the issue of red circling, save for a union demand which would ensure that red circled employees would receive salary adjustments "equivalent to the

percentage increase in the consumer price index for Canada". This proposal would inhibit the early elimination of red circled positions, and thus frustrate the major effect of the language which the proviso is intended to modify. Accordingly, we recommend that the red circle language proposed by the corporation be adopted by the parties.

9. Promotions: The parties were substantially agreed on language covering the application of the seniority principle to promotions, there being in dispute only the significant issue of identifying those levels at which the principle was to operate most stringently, and those at which it would be given lesser recognition. We recommend that Levels 1-4 be placed in the former category, and 5-9 in the latter. Should experience with such an arrangement during the lifetime of the collective agreement prove to be unsatisfactory or unworkable, the union will be able to seek an upward revision when the contract is being renegotiated in the future.

10. Evening and Nightshift differentials: During the course of negotiations, the parties agreed that there should be a nightshift differential of 15 per cent of the basic salary, with a minimum of \$1.00 payable in addition to the basic salary. We recommended that this understanding be incorporated in the collective agreement.

The union also proposed the adoption of an evening shift differential of 10 per cent partly on the basis that such a differential was enjoyed by employees in another bargaining unit who work alongside announcers. While we concede the undesirability of invidious distinctions being drawn between classes of employees in the Corporation who perform closely associated work, it must also be pointed out that many employees who work the evening shift do not receive such a differential. Rather more persuasive are figures adduced by the union which indicate that evening shift differentials are common in the (relatively small) organized sector of white collar employment. Accordingly, we recommend to the parties that they adopt the principle of an evening shift premium, but that such premium be at the level of 5 per cent with a minimum of \$1.00 over and above the basic salary.

Finally, in regard to shift premium, the union contended that the premium should apply to all hours worked in the shift, if any of them fell within the premium period. We reject this proposal. The requirement of a \$1.00 minimum already serves the function of assuring to the employee a premium of some calculable dimension. However, we see no logic in the argument that if only a few cents has been earned during the premium period, that the figure ought to be projected backwards over the whole period of the shift, including that part of it which was worked during regular working hours. Accordingly, we recommend that this provision not be adopted by the parties.

11. Adverse reports: The parties reached substantial agreement in connection with the use of adverse reports against an employee in subsequent disciplinary proceedings. The CBC's initial position, seeking the broadest possible use of such reports, was substantially modified during the course of bargaining. We recommend adoption of the Corporation's proposal, as indicated in its "finalization package proposal", subject to one change. The Corporation proposes that in the case of an employee who has been suspended,



the adverse reports shall not be used after 24 months have expired; in the case of an employee who has been issued a letter of reprimand, the period of 12 months must have elapsed before the adverse report may be barred. We feel that each of these periods is somewhat long, and we recommend their reduction to 18 and 6 months, respectively. In all other respects, we recommend adoption of the language suggested by the Corporation.

12. Arbitrator's right to modify penalty: The union proposed the inclusion in the collective agreement of a clause empowering an arbitrator to substitute a more appropriate penalty for that of discharge, in the event that he finds discharge too severe a penalty having regard to all the circumstances of the case. This is already common arbitral practice, and is specifically authorized by express language in many major collective agreements. Inclusion of such a provision has become necessary because of a recent ruling of the Supreme Court of Canada which held that, absent express authorization, an arbitrator did not possess this power.

To force an arbitrator to either confirm the discharge of an employee, or to sustain the grievance in its entirety is to invite crude and unwarranted adverse judgements upon one party or the other, in circumstances where each might be partially to blame. In no other area of adjudication does this all-or-nothing form of decision-making prevail, and we urge that the union's language be adopted in order to forestall its operation in this collective bargaining relationship.

13. Technological change: Except in one material respect, the parties were substantially agreed upon the language to be incorporated in the collective agreement dealing with the displacement of employees due to technological change. The material difference between the two positions related to a union request that no employee with more than one year's seniority "be laid off or separated from staff as a result of changes in technology and/or methods of operation". We applaud the effort of the union to shelter employees from the adverse effects of the inevitable processes of change.

However, we recommend against the inclusion of the clause sought by the union. Continued employment of individuals whose abilities are not suited to the new tasks confronting them must adversely affect not only the performance of those tasks, but the self-respect of the individuals involved. A much more fruitful approach, from both points of view, is to either retrain the employee for service within the Corporation (or outside of it) or to make a financial settlement with him which will enable him to either find alternative employment, or to proceed to an early retirement.

The Corporation proposal, contained in its "finalization package proposal", underlines management's obligation to provide retraining, assuming that the employee is willing to accept it. Thus, to some extent, the proposal meets the standard laid down above. However, the Corporation proposal does permit the separation of employees who are not capable of being retrained. Precisely what can be done for these individuals, aside from locking them into the Corporation's payroll, is not entirely clear. The search for alternatives will necessarily be a long one, and may involve matters not capable of settlement as between the parties to this agreement, e.g. inter-unit movement of personnel.

Since we were advised of no imminent or large-scale technological change which would likely lead to substantial displacement within the bargaining unit, we feel that the study committee to be created in accordance with the contract language already agreed to might well anticipate any such development, and explore the widest variety of safeguards against technological displacement. On the basis of adequate study, appropriate language could then be incorporated into subsequent collective agreements between the parties.

14. Change of status from non-shift to shift work: On September 11, 1968, the parties apparently reached agreement on a clause relating to the right of the Corporation to change a number of characteristics of the working conditions of an employee or group of employees. Upon reviewing this language on February 12, 1969, the union for the first time sought to limit the formerly agreed upon language to instances of a "permanent" change. While, to be sure, the union is not bound by concessions made during negotiations until they have been formally written into a new collective agreement, we do express our regret that this particular amendment only emerged during the last critical days of the proceedings of this Board. Moreover, the effect of the union's proposal, paradoxically, is to enhance rather than diminish the Corporation's position, as contrasted with the language reproduced by the CBC in its "finalization package proposal". The effect of limiting the language to "permanent" changes would be, impliedly, to leave the Corporation free to do what it wished in respect of all other changes. Conversely, the effect of the language proposed by the CBC, which is not so restricted, would be to impose obligations upon the Corporation in respect to both permanent and non-permanent changes.

To avoid any misunderstanding, we also note that the clause does not inhibit the introduction of change by the Corporation but simply defines the manner in which employees whose status is to be changed shall be identified. Discussion with the union indicates that their view of the effect of the language may be somewhat different, and we think it fair to record that in our view the language would not (and should not) bear a construction which would have the effect of prohibiting the institution of change.

Given due regard for the equities of the employees involved, we feel that the language agreed to in September 1968, should be adhered to.

15. Sales compensation plan letter: At the time of the execution of the former collective agreement, the Corporation furnished ARTEC with a letter relating to a compensation plan for salesmen. This letter, dated March 17, 1966, apparently served the parties well during the former agreement; now the union seeks to incorporate its terms in the current agreement. By this demand, the union brings to a head the question of whether or not the letter constituted a consensual arrangement between the parties, or simply a unilateral, and non-binding, declaration of existing Corporation intentions.

We feel it would be wise to avoid a confrontation between the parties on this issue, and we simply urge them to reproduce, without further endorsement, the letter of March 17, 1966, which does not, on its face, bear an expiry date. This would have the effect of preserving the status quo, for whatever it is worth.

16. Political activities: Because of an incident relating to the discharge of a staff announcer who offered himself as a candidate during the last federal election, the union sought the inclusion in the agreement of language which would permit employees in the bargaining unit (including announcers) to engage in political activities. This request constitutes a direct confrontation with language in a by-law of the Corporation prohibiting such political activity.

We wish to clearly record our view that, while the Corporation is free to pass such by-laws as it may wish, it cannot by so doing remove an item from the collective bargaining agenda. A contrary conclusion would yield the untenable and undesirable result that even wages could be taken off the bargaining table by the simple expedient of a corporate by-law. To Parliament alone belongs the prerogative of limiting the scope of bargaining as defined by the Industrial Relations and Disputes Investigation Act.

However, we do concede immediately that the issue of whether an announcer should be permitted to engage in political activity is fraught with great difficulty. Unlike most employees of the Corporation, announcers (and possibly newsmen) must preserve an image of impartiality in order to preserve public confidence in the objectivity of the news and public information disseminated by the CBC. On the other side of the argument, there is not only the consideration that such a limitation may infringe upon the civil liberties of employees engaged in broadcasting, but there is also a difficult factual question as to whether or not political candidacy (pursued during a leave of absence) does in fact harm the Corporation's image.

In our view, the parties would be well-advised to speak directly to this problem in an express stipulation in the contract. However, the CBC has apparently received advice to the effect that the directors are precluded from entering into such a contractual arrangement until the by-law in question has been repealed. No decision has been taken by the directors to repeal it. A less desirable alternative, but the only one remaining, is to let the matter rest where it is, to have the CBC take such action as it deems appropriate against an offending employee, and to submit the matter to arbitration so that it can be determined whether or not political activity does in fact constitute just cause for disciplinary action or dismissal. We would be surprised to learn that an arbitrator had accepted the unilateral declaration of the employer's views, in the form of a by-law, as conclusive of the issue.

Accordingly, we recommend that the union abandon its attempts to secure the clause in question, and to rely instead upon the decision of an arbitration board, should this become necessary.

17. Bilingual premium: In its "finalization package proposal", the Corporation made reference to studies presently being conducted, both within and beyond the Corporation itself, as to the desirability of paying special remuneration to employees who are required to possess and utilize the knowledge of both official languages. In this regard, the union sought a firm commitment from the Corporation to the payment of a bonus of a particular amount for such employees, and sought as well to have the bonus paid to employees who necessarily used not only French and/or English, but also one or more foreign languages. This latter point, by way of illustration, would affect employees in the CBC's International Service.

On this issue, the Board is unable to agree upon a recommendation. The nominee of the employer believes that the Corporation should promise to implement whatever arrangements are adopted from time to time in the Public Service of Canada. In effect, this would represent a continuation of its present, unilaterally adopted, policy. The union nominee, on the other hand, believes that the use of more than one language is a factor which should weigh very heavily in any proper system of job evaluation. The chairman, as well, believes that an employee who has the ability to use a language other than his mother tongue, and who is required to employ that ability in the course of discharging his duties, is entitled to compensation through the job evaluation procedure for an additional skill.

We were advised that in the case of employees using a foreign (non-English, non-French) language, some such allowance is made, but it is not weighted sufficiently to alter the rate of pay accorded to such an employee. In the view of the chairman, this indicates some shortcoming in the method of job evaluation, rather than a reason for not employing job evaluation procedures in the solution of the problem. However, unlike the union nominee, who favours a very high rating for linguistic skill, the chairman believes that the issue of how much the linguistic bonus should be is one which cannot be judged apart from the specific facts of individual cases.

18. Extra holiday following New Year's Day: The union requested establishment of the day following New Year's Day as a paid holiday. In our view the Corporation's position in relation to holidays is in the fair-to-generous range. No substantial evidence was tendered in support of the union's position on this item. Accordingly, we recommend against the inclusion of a paid holiday on the day following New Year's Day.

19. Welfare items — health plan, group life insurance, pension plan: In regard to each of these items, the Corporation essentially took the position that it would not negotiate with ARTEC because the plans and their administration were ultimately the exclusive responsibility of management. In each case, employees in other bargaining units, and employees who do not fall within the regime of collective bargaining, are covered by a single Corporation-wide plan. To provide for special financial or administrative arrangements with ARTEC, it was alleged, would be to force the CBC to grant similar concessions to all of its other employees, and to abandon its existing unilateral control.

As a matter of principle, we reject both of these positions. There is no intrinsic reason why any financial concessions made to ARTEC in relation to welfare items need be replicated in other bargaining units, or for other groups of employees. To be sure, the CBC may prefer to avoid invidious comparisons between groups of employees, but there is no legal (or indeed moral) compulsion upon it to make general any concessions made to ARTEC. Similarly, in terms of unilateral corporate control of these welfare of these welfare items, there is no legal or moral reason why the Corporation cannot and should not enter into a consensual arrangement with ARTEC for the financing and governance of these plans. Such consensual arrangements are the rule rather than the exception in industry. Moreover, to refuse to share the administration of any of these plans with ARTEC is indefensible at a time when they are financed, almost entirely, by employee contributions.



The Corporation indicated its willingness to establish a broadly-based consultative committee, which would include representatives of ARTEC and of other groups covered by these welfare plans. However, in the course of exploring the possible activities of such a committee, this Board became impressed with the absolute necessity of according it much broader powers and fuller access to information than appeared to be contemplated by the Corporation. In our view, any form of meaningful consultation on welfare is impossible so long as significant information relating to the administration of any of the plans is withheld from the committee. We mention here, by way of example, the necessity of full disclosure of the investments of the pension plan, the profit from which is obviously material to the financial stability of the plan. But we pass beyond the question of full disclosure to the issue of full participation in administration.

We recommend that the Corporation establish a consultative committee on welfare, the members of which will be designated by all of the unions with which the Corporation enjoys a collective bargaining relationship, and to which the Corporation as well may name members. This committee should be given full access to all information which it requests, and it should prepare a scheme for the administration of all welfare plans covering Corporation employees, whether on a Corporation-wide or group-by-group basis.

To assist it in preparing such a scheme, any information requested by the committee should be made freely available to it. When the scheme has been prepared, over a fixed period of approximately one year, the Corporation should undertake to implement any necessary alterations in the existing plans that lie within its legal power. Moreover, should the committee so recommend, the Corporation should accept the responsibility of terminating existing plans and of adopting such other plans as may be recommended. Needless to say, the work of the Committee should not preclude the implementation of any interim measures to which all parties are agreed.

This recommendation, does not, of course, touch the question of financial contribution. This question must necessarily be a matter for collective bargaining between the Corporation and representatives of the various bargaining units. However, even under the present arrangements, there is no reason in principle why the Corporation should not assume some financial responsibility for the welfare plans which cover its employees. Accordingly, while the chairman and the employer nominee do not recommend any specific figure, we do recommend that in the current settlement of the dispute between the Corporation and ARTEC, the Corporation assume partial responsibility for the cost of the national health plan, as it affects members of the ARTEC bargaining unit.

The precise amount to be contributed by the Corporation, as against that contributed by the employees, should be determined in the course of reaching a settlement on all financial matters, and should be regarded as part of a monetary package, of which wages form the other major element. The union nominee, on the other hand, recommends that the Corporation should bear 50 per cent of the total cost of the plan.

20. Severance allowance: The expiring collective agreement provides that "at the discretion of management" employees leaving the service of the Corporation may be granted a "cash gratuity". The union seeks to remove the discretionary features of this arrangement,

and to increase the amount paid to such employees upon their departure. In keeping with our earlier observations in relation to the other welfare items, we believe with the general premise that a regime of collective bargaining requires bilateral, rather than unilateral-management, determination of this item. Accordingly, we recommend that reference to the "discretion of management" and to the concept of a "gratuity" be removed from the language of the agreement. Needless to say, it would be appropriate to provide that an employee who is discharged for just cause could not claim what we recommend should be identified as a "severance allowance".

As to the amount to be paid, we reject the union's contention that the sum should be measured by the accumulation of sick and special leave credits. While this arrangement is not unknown in industry, and indeed many have much to recommend it, we feel that for the present a slight adjustment of the present mode of calculation would be equitable. Accepting as a fair basis of calculation the existing provision for a payment equal to 3 month's salary for employees with 10 years of service, employees with 15 years' service should logically receive 4½ months allowance, and employees with 20 years' service 6 month's allowance. Employees should also continue to accumulate additional severance allowance at the rate equivalent to 1½ month's pay per 5 years' service.

21. Renegotiation: A controversy arose between the parties as to the length of the period during which notice might be served requiring renegotiation or amendment of the collective agreement. Under the expiring agreement, notice could be served at any time not more than 180 days, and not less than 30 days, prior to its expiry. We believe that the current negotiations have demonstrated that a tendency exists for the parties to attenuate their negotiations over the full period of time available to them, and beyond. This practice is bound to increase frustrations, and to deprive the negotiations of the spur of urgency which is apparently essential to their conclusion. Accordingly, we recommend that the agreement be amended to provide that notice requiring renegotiation or amendment of the agreement may be served at any time not more than 90, and not less than 30, days prior to the expiry of the agreement. We do not believe that the duration of an expiring agreement ought to determine the period required for negotiations for subsequent agreements.

22. Salary increases and duration of agreement: Throughout the negotiations, representatives of the Corporation were adamant in their insistence that the Corporation could not and would not break the so-called "guidelines" established for employees in the Public Service, and as a yardstick for private sector negotiations. In alleged obedience to these guidelines, the Corporation proposed that the parties enter into a 3-year agreement commencing April 1, 1968, which would provide for a salary increase of 7 per cent during the first year, and 6 per cent in each of the two succeeding years.

We do not believe that the CBC's offer is one which will, or should, ultimately constitute the terms of settlement between the parties. First, we note that even the "guidelines" do contemplate particular cases in which it is necessary to adjust inequities which may have developed prior to their introduction. Considerable evidence was introduced by the union which indicated that over the past

few years the position of ARTEC had deteriorated vis-à-vis that of other CBC unions, employees in the federal Public Service, and employees in the private sector. Even the statistics advanced by the Corporation confirm that the position of ARTEC relative to that of other CBC employee groups has declined to an extent which would not be made up by the Corporation's salary offer. Thus, a case has been made for (at least) the amount indicated by the guidelines plus an additional "catch up" adjustment.

We hasten to add that the CBC at no time advanced any particular explanation of the discrepancy that has developed in recent years to the disadvantage of ARTEC. Second, quite apart from any "catch up" factor based on its former position relative to other CBC employee groups, the union has made a case for a more generous wage settlement on the basis of comparability to present federal Public Service salaries for similar work.

On the other hand, the union contended that all employees should be given a 20 per cent increase (with a minimum increase of \$1,000 for low-paid workers) over the course of a 1-year contract running from April 1, 1968 to April 1, 1969. In our view, the statistics advanced by the union do not warrant an increase of such magnitude, and, in any event, it would be unreasonable to adjust inequities during such a short period, and then to immediately throw the parties back into negotiation. Thus, both in terms of the increase proposed, and of the duration of the agreement suggested, we feel that the union's position is untenable.

It might in theory be possible for this Board to perform a normalizing function, and to make what would be in effect a non-binding arbitral award, announcing to the public what would be a "just and reasonable" wage settlement. Naturally, any such settlement would have to reflect the total monetary cost occasioned by our recommendation in relation to the welfare plan, as well as the percentage increase in salaries, and the proposed duration of the contract, all of which, in combination, would determine the Corporation's financial burden. However, we do not propose to conclude our report with a specific recommendation on these items.

In our view, it is of the utmost importance for the future of collective bargaining between these parties, and between other parties similarly situated, that they mutually accept the responsibility of determining the location of a viable compromise somewhere between their respective positions. To shelter behind a rigid "guidelines" plea, without consideration of the equities and bargaining dynamics of the particular situation, or to appeal for unrealistic and unwarranted increases, is to ignore the sobering reality of collective bargaining. We propose that the parties now confront this reality.

To put the matter bluntly, we feel that if the parties are confronted with the highly unpleasant prospect of industrial conflict, and only when they are so confronted, will they be able to reach an agreement in direct negotiations. Without assigning undue blame to either side, in our view, the negotiations between the parties to date have not been characterized by the necessary degree of realism.

We do not shirk our sworn duty to seek a peaceful solution to this dispute. However, the parties insisted on persevering through slow, stately (and sometimes imperceptible) steps to a virtual stalemate on non-economic issues. On monetary matters, much effort was devoted to attempts on both sides to persuade this Board to write a favourable report; relatively little effort was devoted to attempts at mutual persuasion through the actual or offered exchange of concessions between the parties. Indeed, what was exchanged were not concessions but virtual ultimatums.

The time has now arrived, for the parties to begin to bargain in earnest and under pressure. Our recommendations in relation to non-monetary issues should provide the basis for a speedy settlement. However, in relation to salaries and like matters, we believe we can only urge both parties to move from their present untenable positions. There is no rational basis upon which we can fix a firm figure for settlement. Only the parties know what can be afforded on the one side, and what is likely to win employee acceptance on the other. These considerations, crucial to effective bargaining, are not revealed by statistics, however voluminous.

Accordingly, while we believe that a settlement lies somewhere between the positions taken by the two parties, we make no explicit recommendations on monetary matters.

The Company nominee dissents from the Chairman and Union nominee in regard to the evening shift differential since he believes that a relatively small number, percentage-wise, of the bargaining unit would benefit. On the other hand a substantial majority of other employees in other bargaining units would be treated differently through the absence of an evening differential.

Toronto, March 3, 1969

(Sgd.) H.W. Arthurs,  
Chairman,

Gordon Harrison,  
Member

Marc Lapointe,  
Member.

#### CORPORATION FINALIZATION PACKAGE PROPOSAL

February 16, 1969

This finalization package is submitted by the Corporation in an attempt to achieve a total settlement on the issues in dispute. All items previously agreed as of February 12, 1969, will be incorporated in the new collective agreement. All other proposals are considered withdrawn, except as noted below.

##### Article 24; 24.1.1; 24.3.1 – Announcer Jurisdiction

As in Corporation proposal of February 16, 1969, 9 a.m. (attached).

Article 96 – Re-opener tied to Term of Agreement  
As in present Agreement.

##### Article 3 – Job Evaluation – Duties of Employees

As in Corporation proposal of February 6, 1969, (attached).

##### Article 7.4.5 (new) – Change of status of Hours of work

As previously agreed between the parties on September 11, 1968. (attached).



#### Article 8 & 37 - Nightshift differential

As in Corporation proposal of January 19, 1969, (attached).

#### Article re: 46.5 - Weather Conditions

As in Corporation proposal of February 15, 1969, (attached).

#### Article 54, 95 - Salary proposal

(a) This agreement, except as provided below shall be effective from the date of ratification, and shall continue in effect until March 31, 1971;

(b) Salary scale increase - the salary scales for this agreement will be adjusted as follows:

- i) April 1, 1968 7%
  - ii) April 1, 1969 6%
  - iii) April 1, 1970 6%
- compounded

(c) 55.1, the salary increases provided under this agreement shall be paid retroactive to April 1, 1968 on basic salary, and overtime for employees in the bargaining unit as of that date and who remain in the bargaining unit until or after the date of ratification, and from the date of appointment for those employees appointed after April 1, 1968 and who remain in the bargaining unit as of the date of ratification.

#### Article 55.1.2 - Red Circling

As in Corporation proposal of February 13, 1969, (attached).

#### Article 55.5 - Automatic progression

As in Corporation proposal of February 15, 1969, (attached).

#### Article 55.9 (new) - Premium for use of more than one language

As in Corporation proposal of January 17, 1969, (attached).

#### Article 57 - Protection against technological change

As in Corporation proposal of February 16, 1969, (attached).

#### Article 62 - Promotion

As in Corporation proposal dated January 19, 1969, (attached), with the following amendment to Art. 62.2, insert "manual" in the 4th line after the words "job specification".

#### Article 65.4 - Adverse Reports

As in Corporation proposal dated February 16, 1969, (attached).

#### Article 68 - Mileage Allowance

The Corporation proposes amending the language of the present agreement to increase the mileage allowance to 11¢ a mile.

#### Article 69, App. I, Joint Interpretation - Sales Representatives Car Allowance

Corporation proposal is contained in the attached detailed document dated February 15, 1969.

#### Article X - Political Activities

As in Corporation proposal from clause comparison chart (attached).

#### Nationwide Health Plan, Group Life Insurance, CBC Pension Plan

As in Corporation proposal of January 19, 1969, (attached).

#### Announcer Jurisdiction

Within 90 days of the signing of this agreement, an announcers' national joint committee composed of a maximum of five representatives each of the Corporation and the Union shall be convened. The Committee shall be composed of a group from the Union, the majority of which shall be staff announcers, and a group from the Corporation, the majority of which shall be program management. Upon request by the Union, three members of the Union's Committee shall be released without loss of pay to attend meetings of the Committee.

This committee, the functions of which are partially described below, shall formulate recommendations and/or requirements which will be submitted for consideration not later than six months after the ratification of this collective agreement by the parties. It is clearly understood that the parties shall be free to accept or reject these recommendations and/or requirements or any part thereof. Should the recommendations of the committee not be completely acceptable, the recommendations shall be referred back to the committee for further study. It is further understood that if the parties accept the approved recommendations and/or requirements, they must be implemented in their entirety.

The function of the announcers' national joint committee is to formulate recommendations and/or requirements with regard to the greater involvement of staff announcers in programming.

The parties propose by way of illustration and not of limitation, the following topics for discussion by the committee:

1. To discuss and define the CBC announcers' role consistent with the ever changing demands of the broadcast industry.
2. To study the question of standards of broadcast performance for all on-air personnel.
3. To study methods of scheduling, promoting greater flexibility and increased use and involvement of staff announcers in all regions and all program areas.
4. To study the structure of remuneration for staff announcers as it presently exists in the Corporation and the broadcasting industry.
5. To study the competitive relationship of announcers vis-a-vis other bargaining units and Corporation personnel; for example, voice reports, election coverage and areas of permissive jurisdiction.
6. To study any other subject relating to the professional advancement of staff announcers raised by either the announcers or management.

Should the committee devise and the parties approve acceptable recommendations and/or requirements for the greater involvement of staff announcers in programming, it is understood that the Union will grant the Corporation a waiver of Article 24.2.1 to the extent quoted below, ex-

tending for a period of 12 months from the date the recommendations and/or requirements are approved in writing by the parties.

If the committee or the parties fail to agree on the recommendations and/or requirements for the greater involvement of the staff announcers in programming, the Union may refuse to grant said waiver.

The announcers' national joint committee may be convened at the written request of either party upon one week's notice to evaluate the implementation of the recommendations and/or requirements of the Committee and endeavour to solve any problem that may have arisen. If any dispute arises between the parties, which cannot be resolved by the announcers' national joint committee, as to whether or not the Corporation has met the requirements for greater involvement of staff announcers in programming, the union may refer the matter to final and binding arbitration, the single arbitrator being Professor H.W. Arthurs. The terms of reference of the arbitrator shall be outside the grievance procedure contractually agreed upon by the parties in this agreement. A registered letter to the arbitrator is sufficient to initiate the arbitration.

If at the end of the 12 month period of the waiver the requirements have been met, Article 24.2.1 will be modified in the following manner: "... the reading of all newscasts and news flashes prepared by the News Service except for:

French Network Centre — 1 Daily TV and 1 Daily  
Radio newscast;  
English Network Centre — 1 Daily TV and 1 Daily  
Radio newscast.

For purposes of this Article, newscasts and news flashes shall not be deemed to include the election night programs."

Staff announcers will be informed of, and be given the opportunity to audition and compete for the positions affected by the waiver.

If, at the end of the 12 month period the requirements have not been met, the Union may terminate the waiver upon 30 days' notice in writing to the Corporation.

It is also agreed that when, following the waiver period, the Union has eased its exclusive jurisdiction as quoted above, the requirements established and met by the Corporation during the waiver period must be maintained during the life of the collective agreement, and upon failure to do so, the Union may refer the matter to the National Joint Committee for discussion and resolution, failing which, the Union may refer the matter to the single arbitrator named above.

Corporation Proposal of February 6, 1969

#### Article 3 — Job Evaluation

It is the right of the Corporation to establish the duties of any job and in doing so, it is their responsibility to accurately reflect these duties in a Job Specification. The accuracy of these Job Specifications and the resulting evaluation are subject to the procedures outlined in Appendix". The Union accepts those portions of the Corporation's Job Specifications relating to the functions, description of duties and relationships of positions occupied by employees included in the bargaining unit, as detailed in the Manual of Job Specifications and these are made a part hereof. The Corporation agrees to make available sufficient copies of this manual for use by the Union's officers. The Corporation also agrees to inform the Union of the specifications of any new job that has been agreed or adjudged to fall within the bargaining unit. The Corporation recognizes the Union's right to negotiate rates for such new job

classifications, as well as job classifications whose specifications are altered in such a way as to reflect a material change in their function and responsibility.

#### Change of Status of Hours of Work

7.4.5 When the Corporation's operation requires a change in the normal starting time and/or finishing time, or the normal scheduling of days-off, or non-shift to shift status for an employee or group of employees, an employee's wishes will be taken into consideration; and where more than one employee capable of performing the work is available, assignment will be in inverse order of Corporation seniority.

#### Article 8

Nightshift Differential: All work performed between midnight and 7 a.m. shall be compensated for at fifteen per cent (15%) of the basic salary with a minimum of one dollar (\$1) in addition to the basic salary.

The Corporation rejects the Union's proposal on Evening Shift differential.

#### Article 37

Nightshift Differential: For announcers all work performed between midnight and 7 am shall be compensated for at fifteen percent (15%) of the basic salary with a minimum of one dollar (\$1) in addition to the basic salary.

The Corporation rejects the Union's proposal on Evening Shift differential.

#### Weather Conditions

The Corporation agrees to furnish to the Union, within 30 days of signing the agreement, a letter of intent which will form an appendix to the agreement and which will contain the following:

1. The Corporation will affirm its practice of early closing in recognition that extreme weather conditions, or extreme temperatures in Corporation buildings affect working conditions in such a way that employees should be released prior to their normal finishing time, operating requirements permitting.
2. Details of the Corporation's practice of granting such time off at each location together with a list of the Officers and their alternates in each location where there are ARTEC members, who will have authority to order such early release as conditions dictate.
3. A commitment to promulgate the above information to all those concerned with such early release of staff.

#### 55.1.2 (new) — Red Circling

The parties recognize the problem existing with red-circle employees, and the Corporation undertakes during the term of the current agreement to minimize to the utmost the red-circling situation caused by evaluation or operational change. To this end the Corporation undertakes to give to qualified red-circle employees first choice in vacancies at their previous level, and the Union agrees that the posting requirements of the agreement will not apply where a red-circle employee is to be placed in such a vacancy.

#### 55.5 — Automatic Progression

Except as provided in Articles 55.6 and 55.6.1 progression from one step in any classification to the next



step in such a classification will be effected on April 1st of each year.

#### 55.9 (new) – Language Premium

The Corporation recognizes the principle that special remuneration should be paid in respect of certain positions in the CBC in which there is a requirement for a knowledge of both official languages and where both are used in the performance of duties. To this end, the Corporation assures the Union that when the studies presently underway, both internally and externally are concluded, any changed condition arising from these studies shall immediately be included as a benefit under the existing Collective Agreement. Any changed condition in this regard shall be retroactive to the effective date of this agreement.

#### Article 57

##### 57 – Technological Change

57.1 The Corporation will provide advance notice to the Union of the separation, lay-off or downgrading of staff resulting from changes in technology and/or methods of operation. The Corporation will also make every effort to re-train and/or reassign employees so affected in accordance with the provisions of its policy on "Utilization of Staff" attached hereto as Appendix .

57.1.1 Employees with more than one year's seniority who are to be separated due to the permanent abolition of a position(s) resulting from changes in technology and/or methods of operation will have the opportunity for re-training or reassignment as provided for in Appendix .

The Union agrees that the posting requirements of the agreement shall not apply where employees are re-assigned as provided in this Article.

57.2 Within 90 days of the signing of this agreement, the Corporation agrees to set up with the Union a technological change study committee. The purpose of this Committee will be to discuss the Corporation's present policy on technological change (Utilization of Staff) as it affects this bargaining unit and to recommend, if necessary, revisions to the policy as well as its related practices and procedures and to provide for continuing consultation and cooperation between the parties with respect to the placement and/or re-training of employees who are displaced. Operational requirements permitting, the Corporation agrees to release not more than three employees, without loss of pay or leave credits, to attend these meetings which will be held at the request of either party as circumstances require.

#### Promotion

62.1 – An employee who applies for a transfer or promotion to a vacant position in the bargaining unit will be inter-

viewed, and if not selected will, upon request, be given the reason he was not selected and the name of the successful applicant. An employee who applies for a promotion to these vacant positions mentioned in article 61.5 will be interviewed locally and if not selected will, upon request, be given the reason he was not selected and the name of the successful applicant. Failure to be selected for a position outside the bargaining unit is not subject to the grievance procedure.

62.2 – In promotions involving groups 1 to 4 inclusive, when applicants for a vacant position are qualified i.e., meeting the education, experience and other requirements detailed in the job specification for the position in question, the employee with the most corporation seniority will be promoted on trial in accordance with article 55.2.

62.3 (new) – In promotions involving groups 5 to 9 inclusive, the candidate who is best qualified to perform the functions of the position in question will be promoted to fill the vacancy. In determining the successful candidate the following factors are considered: seniority; knowledge; training; skill; ability; potential.

62.4 (new) – Applications for positions and replies pertaining thereto will not be placed on employees' status and pay files.

62.5 (new) – Nothing in this article precludes the selection of applicants from outside the bargaining unit where no employee within the bargaining unit is qualified and able to do the job.

#### Adverse report on performance

65.4.1 – It is agreed that the record of an employee will not be used against him at any time in the following instances:

- a) When 24 months have elapsed since a suspension, provided there has been no recurrence of a similar and/or any other infraction;
- b) When 12 months have elapsed since the issuance of a letter of reprimand, provided there has been no recurrence of a similar and/or any other infraction.

#### Article 69

##### Travelling, Use of Employees Car

Sales representatives authorized to use their cars on Corporation business will be compensated in accordance with the provisions of Appendix "I". It is the responsibility of each sales representative so authorized to ensure that he has adequate business insurance coverage with a minimum of \$100,000.

### CORPORATION PROPOSAL

February 15, 1969

#### APPENDIX "I" – SALES REPRESENTATIVES CAR ALLOWANCE

Sales Representatives who are authorized to use their cars on Corporation business shall provide an automobile which meets the following minimum conditions:

1. Of a style or class in the medium price range (approximately \$3,000 – 1969 prices).
2. Purchased with full new car warranty.

3. Shall be operated for not more than thirty-six (36) months or until the following month of October, whichever is later, to permit purchase when new models reach the market.

When authorization has been given to a Sales Representative to use his car on Corporation business, such

authorization will remain valid — so long as the employee remains a Sales Representative — for a period of not less than three years from the date of purchase of a vehicle meeting the standards set out above.

For Sales Representatives meeting the above requirements, the Corporation will:

1. Pay a monthly allowance of \$80.00 to cover all costs except gas, oil and lubrication, which will be reimbursed on an actual expense basis for mileage driven on Corporation business.
2. Provide a credit card to those who request it and pay the business portion of gas, oil and lubrication expenses. For those preferring to use their personal credit card, the CBC agrees to reimburse them for the business portion of their gas, oil and lubrication expenses.

At the option of the employee, the existing Sales Representative's Car Allowance plan will continue in effect for all Sales Representatives who have qualified for allowances under the previous Agreement until such time as their current vehicles exceed the qualification period.

A CBC form will be completed by the Sales Representatives on a weekly basis, but need only be submitted by the Sales Representative for processing at the end of the month with his credit card statements and other receipts.

The \$80 monthly allowance will be paid at the end of the month to which it applies and shall not be reduced.

The proportion of gas and oil expenditures chargeable to the Sales Representative for personal mileage under the CBC credit card shall be recovered by the Corporation separately.

All Sales Representatives shall account under this provision and submit such accounts with any money due the Corporation within five (5) working days of notification from the accounting office that such monies are due.

It is understood that the portion of CBC form — relating to mileage will be limited to showing opening and closing odometer readings for the week. Mileage driven from

residence to place of business and return up to a maximum of twenty-five (25) miles per day may be included as business mileage. The Sales Representative's declaration of his personal mileage is based on the honour system.

Sales Representatives who do not comply with the minimum conditions as required will receive a \$2.00 per diem minimum mileage allowance, or the mileage rate indicated in Appendix "D", whichever is greater, when authorized to use their own automobiles on Corporation business in addition to toll charges and ferry rates and parking charges.

#### Article X — Non-discrimination

The parties will not discriminate on the grounds of race, nationality, colour, sex, marital status or religious or political affiliation, provided that such political affiliation is not contrary to the By-laws of the Corporation.

#### Welfare

As welfare plans are Corporation-wide in scope, and benefit all employees of the Corporation irrespective of whether an employee is a member of a union or not, the Corporation is not prepared to bargain these plans with any Union.

However, the Corporation is prepared — within 90 days of the effective date of the agreement — to convene a meeting of the Staff Welfare Advisory Committee.

The primary purpose of this meeting will be to enable each group represented to reconsider the structure, purpose, and effectiveness of this Committee.

By way of illustration it is expected that at such meeting the structure of the Committee i.e., Union participation only; union and other groups participation; union, other groups and Management participation will be investigated and decided upon.

That the purpose and effectiveness of the committee be stated and that lines of communication between the Committee and Management be examined and formalized.

### UNION POSITION ON CORPORATION FINALIZATION PACKAGE PROPOSAL OF

February 16, 1969

Since the Corporation indicates its position represents a "finalization package", the union is obliged to consider it as one inseparable entity. On this basis the union states that the package is unacceptable.

Taken individually, the Union would be prepared to accept the following Corporation proposals found in the above document:

re: 46.5 — Weather Conditions

As in Corporation proposal of February 15, 1969.

55.5 — Automatic Progression

As in Corporation proposal of February 15, 1969.

68 — Mileage Allowances

Corporation proposal of 11¢ a mile.

69 — Sales Representatives Car Allowance

Corporation proposal of February 15, 1969.

On the other items which were in dispute the union's position is as follows:

24.1.1 to 24.3 — Announcer Jurisdiction

As in Union brief to Conciliation Board.

#### Announcers' National Joint Committee

As in Corporation proposal of February 16, 1969 — 9:00 A.M., except that the text of the modified Article 24.2.1 be as in Union proposed Working Language of February 15, 1969 — 9:30 A.M. In addition, the language of the last paragraph would require further discussion, the Union maintaining its version of said text (see working language referred to above).

5.5 — Successor Rights

Union proposal as found in brief to the Board.

7.4.5 — Change of Status

Union withdraws its original proposal of February 13, 1968.

8 and 37 — Night and Evening Differentials

Union proposal as found in brief to the Board.

55.1.2 — Red Circling

Union proposal of January 19, 1969 — 3:30 P.M.



55.10 - Language Premiums

Union proposals of February 13, 1969 - 4:30 P.M.

57-58 - Technological Change

Union proposal of February 15, 1969 - 10:00 A.M.

62 - Promotion

Union proposal of January 18, 1969 - 11:23 P.M., accepting Corporation proposal to add word "manual" in Article 62.2.

65.4 - Adverse Reports

Union proposal of February 14, 1969 - 11:00 P.M.

81 - Rights of Arbitrators

Union proposal as found in its brief to the Board.

Appendix "B" - Extra Holiday following New Year's Day

Union proposal as found in its brief to the Board.

Appendix "B" - Severance Allowance

Union proposal as found in its brief to the Board.

"X" - Political Activities

Union proposal as found in its brief to the Board.

Health Plan, Group Life Insurance, CBC Pension Plan

Union proposal as found in its brief to the Board.

Sales Compensation Plan Letter

Union proposes re-inclusion of this letter in the new agreement.

43.6, 54, 55.1.1, 55.6, 55.6.1, 55.6.2, 95 and 96 -

Salary Proposals - Effective Date, Duration and Retroactivity, Renegotiation Period

CBC proposals unacceptable, among other reasons, because they do not take account of the need to "catch up".

REASONS FOR JUDGMENT IN APPLICATION FOR CERTIFICATION AFFECTING

National Association of Broadcast Employees and Technicians,	(Applicant)
- and -	
The Alberta Government Telephones Commission,	(Respondent)
- and -	
The Alberta Government Telephones Clerical Group,	(Intervener No. 1)
- and -	
International Brotherhood of Electrical Workers,	(Intervener No. 2)
- and -	
The Attorney General of Alberta,	(Intervener No. 3)

The Board consisted of A.H. Brown, Chairman, and E.R. Complin, J.A. D'Aoust, K. Hallsworth, Donald MacDonald, and G. Picard, members. The Judgment of the Board was delivered by the Chairman.

1. The Applicant, a trade union, applies to be certified as bargaining agent for a unit of employees of the Respondent employed by it in the operation of a radio station, CKUA, situated at Edmonton, Alta.
2. The Respondent is a body corporate established under the authority of an Act of the Alberta Legislature namely The Alberta Government Telephones Act Ch. 85 RSA 1958 as amended, and is authorized thereunder to operate a telecommunications system in the Province of Alberta. The term "telecommunication" is defined for the purposes of the Act to mean the "transmission, emission or reception of signs, signals, writing, images, sounds or intelligence of any nature by wire, radio, visual or other electromagnetic systems". The major function of the Respondent is the operation and maintenance of a telephone system within the Province of Alberta. The Act provides that the Respondent is for all the purposes of the Act an agent of the Crown in the right of the Province of Alberta and its powers under the Act may be exercised only as an agent of the Crown.
3. According to the evidence before the Board, radio broadcasting station CKUA was established initially in

1927 by the University of Alberta, a provincially assisted university. The station was operated as an educational radio station by the University under radio transmission licenses issued by the Dominion Department of Transport. Under the authority of an Order in Council of the Lieutenant Governor of Alberta 639/44 of April 25, 1944, the ownership and the responsibility for operation and maintenance of this radio station were transferred to the Respondent and the station has been maintained and operated continuously since that time by the Respondent. Notwithstanding this transfer of ownership, maintenance and operation of the station, all subsequent radio broadcasting transmission licenses for the station from the federal government radio station licensing authority have continued to be issued in the name of the University of Alberta upon application made in its name to the federal government radio licensing authority. The current license in the name of the University for AM and FM radio transmission by station CKUA was issued for a period April 1, 1964 to March 31, 1969 by the Minister of Transport for Canada under the provisions of the federal Radio Act for the operation thereof on a non-commercial basis and was extended to March 31, 1970, by the Canadian Radio-Television Commission.

4. The Respondent and Intervener No. 3 submit that the provisions of the Industrial Relations and Disputes Investigation Act do not apply to Respondent and its employees covered by this application for certification. Without admitting that the Parliament of Canada would have the right to name the Crown in the right of the Province of Alberta in the said Act, the substance of the arguments advanced by counsel for Intervener No. 3 on this issue is that the Respondent, the employer of the employees covered by this application, is the Crown in the right of the Province of Alberta and is not named in the said Act and consequently is not bound by its provisions. Reliance is placed in support of this contention upon the provisions of section 16 of the Interpretation Act S.C. Chap. 7, 1967-68 which read as follows: "16. No enactment is binding on Her Majesty or affects Her Majesty or Her Majesty's rights or prerogatives in any manner, except only as therein mentioned or referred to."

The substance of the argument of counsel for the Applicant on this issue is that the operation of radio station CKUA as a radio station falls exclusively within the jurisdiction of the Parliament of Canada to regulate and that the Crown in the right of the Province is completely subservient constitutionally to the jurisdiction of Parliament in the area of broadcasting. Counsel contends that the provisions of section 16 of the Interpretation Act do not on their face purport to have any application to Her Majesty other than in the right of Canada and do not support an interpretation thereof as having reference or application other than to Her Majesty in right of Canada.

In support of this contention, counsel points out inter alia that while sections 54 and 55 of the Industrial Relations and Disputes Investigation Act provide expressly that the pertinent provisions of the said Act, namely Part I thereof, apply only in respect of any corporation established to perform any function or duty on behalf of the Government of Canada and in respect of employees of such corporation, except any such corporation and the employees thereof that the Governor in Council excludes therefrom, and otherwise does not apply to Her Majesty in right of Canada, there are no similar limitations there or elsewhere in the Act as to any restriction in so far as the Act might apply to the Crown in the right of the Province.

5. Parliament has legislative jurisdiction to regulate the operations of radio undertakings, vide *In re Regulation and Control of Radio Communications in Canada* 1932 Appeal Cases p. 304, but the question here is whether Parliament intended the Industrial Relations and Disputes Investigation Act to regulate relations between the Crown in the right of the provinces and their employees in works, undertakings and businesses to which Part I of that Act applies. Section 16 of the Interpretation Act Ch. 7 S.C. 1967-68 provides that no enactment is binding on Her Majesty or affects Her Majesty's rights or prerogatives in any manner except as therein mentioned or referred to, and in subsection 15 of section 28 thereof "Her Majesty" is defined for the purposes of the Act to mean "the Sovereign of the United Kingdom, Canada and Her other Realms and Territories, and Head of the Commonwealth". The effect of sections 54 and 55 of the Industrial Relations and Disputes Investigation Act is that the Act has a limited application to employees of the Crown in the right of Canada only and it does not appear therefore that Parliament intended to make the Act otherwise applicable to the Crown either in the right of Canada or in the right of the provinces or their agents. Neither does it appear that such application is necessary to the general scheme of the Industrial Relations and Disputes Investigation Act.

In view of the provisions of sections 16 and 28 of the Interpretation Act and in the absence of specific reference in the Industrial Relations and Disputes Investigation Act, the Board concludes that Parliament did not intend to make that Act applicable to Her Majesty in the right of the Province of Alberta or to the Respondent, which, by virtue of section 30 (1) of The Alberta Government Telephones Act, may act only as an agent of the Crown in the right of the Province: See also the decision of this Board to like effect in the case of *Canadian Merchant Service Guild v. British Columbia Ferry Authority* 66 CLLC para. 16098. The application for certification is rejected accordingly.

Ottawa, February 24, 1969

(Sgd.) A.H. Brown,  
Chairman.





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# CONCILIATION BOARD REPORTS together with CLRB REASONS FOR JUDGMENT

No 3, 1969

## Conciliation Board Report in dispute between

McKee Moving and Storage Co. Ltd., Saskatoon, and Local 395 of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America.

## Reasons for Judgment in applications affecting

Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employees, Old Colony Lodge 443 (Applicant) and Canadian National Railways (Respondent) and United Transportation Union, The Railway Employees Department Division No. 4 A.F. of L.-C.I.O., and International Association of Machinists and Aerospace Workers (Intervenors).

United Transportation Union (Applicant) and Canadian National Railways (Respondent) and Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employees, Old Colony Lodge 443, The Railway Employees Department Division No. 4 A.F. of L.-C.I.O., and International Association of Machinists and Aerospace Workers (Intervenors).



CANADA DEPARTMENT OF LABOUR

Hon. Bryce Mackasey, Minister

J.D. Love, Deputy Minister





## CONCILIATION BOARD REPORT

Report of Board of Conciliation and Investigation established to deal with dispute between:

McKee Moving and Storage Co. Ltd., Saskatoon

and

Local 395 of the International Brotherhood of Teamsters,  
Chauffeurs, Warehousemen and Helpers of America

The Board of Conciliation and Investigation established to deal with a dispute between McKee Moving and Storage Co. Ltd., Saskatoon, Saskatchewan and Local 395 of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, was under the chairmanship of Professor N.M. Ward of the University of Saskatoon. He was appointed by the Minister in the absence of a joint recommendation from Dick Shmigelsky and W.G. Gilbey, both of Saskatoon, who were previously appointed on the nomination of the company and union, respectively.

The report of the Board is signed by all three members covering all of the recommendations made by the Board with the exception of wages. A minority report on wages was made by Mr. Gilbey. The reports were received by the Minister of Labour in April.

The Board held six meetings in Saskatoon, took evidence and attempted to conciliate the matters in dispute between the parties, and did not withdraw to consider a report until convinced it had exhausted the possibilities of negotiating a settlement either on individual issues or the dispute as a whole.

Neither party had applied for the appointment of the Board, its creation having resulted from a recommendation by Mr. A.E. Koppel, Industrial Relations Officer, Department of Labour. Since the union had taken the initiative in seeking changes in the existing agreement with the company, the union was asked at the Board's first meeting on March 25, 1969, to outline the matters in dispute with the company. This was done in its entirety in the presence of company representatives, who then offered their interpretation and views on the same matters. The Board did not close off its hearings until both parties had indicated that they had nothing to add to what they had already said.

The matters raised before the Board, as presented by the union, together with the disposition made of them, or recommended by the Board are as follows:

Item 1. Leased clauses — Part time

Articles.

- 3.04 At no time shall the ratio of part time employees to regular employees exceed 15 per cent.
- 3.05 Every motor vehicle and every piece of mobile equipment used by the Company, whether owned by or hired by the Company or leased to it or by it howsoever, shall be operated by employees of the Company, members of the Union. All storing and handling of merchandise or other goods or materials shall be carried on by employees of the Company, members of the Union.
- 3.06 The Company shall not sell or lease equipment with the intention of evading the terms of this agreement.
- 3.07 This agreement shall be binding on the parties hereto, their successors, administrators, executors and assigns. In the event the entire business is sold, leased, transferred or taken over by sale, transfer, lease, assignment, such business or any part thereof shall continue to be subject to the terms and conditions of this Agreement for the life thereof.

These proposed clauses were disposed of as follows: 3.04 and 3.06 were withdrawn by the union. 3.07 was left, by agreement between the parties, to be negotiated. 3.05 was not disposed of at the Board's hearings, but left to the Board for recommendation. The Company contended that the clause, by preventing the company from using the 'owner-driver' device for sub-letting work, would add materially to the Company's costs, and in the light of later recommendations the Board concludes that this particular cost item should not be added to the Company's competitive position.

The Board recommends that the proposed clause 3.05 not be added to the contract.

Item 2. Seniority — definition of term lay-off

Articles

- 4.03 In the event of a shortage of work that necessitates a lay off, the stewards shall be retained in the work force and laid off only prior to the senior employee.
- 10.8 In the event of a lay-off, short term or otherwise, the last employee hired shall be the first laid off; and when the work force is increased the last man off shall be the first recalled, providing in both instances the employee involved has sufficient qualifications and ability to perform the work involved.
- 10.10 When a shortage of work occurs in any job classification the employee with the least seniority shall be the first laid off; except that such employee shall have the right to exercise seniority to displace another person in a different job classification and with less seniority, providing he has sufficient ability and qualifications to perform the work.
- 10.16 In the event of a shortage of work, short term, long term howsoever, that necessitates employees being laid off, or necessitates employees not being required to report for work, or necessitates employees being sent home, seniority shall always prevail, with the employee with the greater seniority being kept on. Further that any system of rotation previously employed with regard to shortages of work shall no longer prevail and be immediately discontinued.

These clauses all pertain to the system used by the Company in laying employees off, not calling them to work, or sending them home because of a shortage of work, for periods of less than six days. The system in force, which the union challenges above, is a rotation system in which employees, regardless of seniority, are variously told not to work; the union wishes to substitute for this rotation system a seniority system in which preference for work will always be given to the senior worker, providing he has sufficient ability and qualifications to perform the work.

The parties agreed before the Board to submit to the employees a ballot which would give each employee a vote on whether he preferred the existing rotation system or the proposed seniority system, with the results of the voting being binding on both parties for the life of the agreement. The Board was to set forth the details in a recommendation.

The Board recommends that the employees be permitted to choose, through a secret ballot between the following two clauses, on the understanding that the clause receiving a majority of the votes cast shall be included in the agreement:

- (a) Rotation system. Whenever there is a shortage of work for six days or less, employees shall be laid off in accordance with the rotation system which has been the established practice within the Company. A rotation roster, listing the names of those to be laid off, and the order in which they shall be laid off, shall be posted for each period for which there is a shortage of work.
- (b) Seniority system. In the event of a lay off, for six days or less, the last employee hired shall be the first laid off; and when the work force is increased the last man off shall be the first recalled, providing in both instances the employee involved has sufficient qualifications and ability to perform the work involved.

#### Item 3. Business agents.

##### Article

5.01 Authorized agents of the union shall have access to the Company's premises during working hours, for the purpose of adjusting complaints and grievances, providing there is no interruption in the work schedule.

The Company asserted that it has not yet denied permission to any union agent for the purposes stated, and added that access is now used for purposes other than adjusting complaints and grievances, which would become a violation of the contract if the proposed 5.01 were adopted. The union's point was that it wanted its right of access protected for legitimate union business.

The Board is not convinced that the proposed clause is evidence of abuse by either the Company or the Union, and considers the point it makes a reasonable one.

The Board recommends that the proposed clause 5.01 be adopted, with the addition of the word 'unreasonable' before 'interruption' in the last line, and the addition of: "The Company shall be notified of the presence of such agents."

#### Item 4. Grievance procedure and arbitration

##### Article

6.06 All meetings between the Company and the Union for settlement of disputes and grievances, if reasonably possible, will be held during working hours and no employee will suffer loss of pay by reason of time spent in such meetings.

Discussion between the parties before the Board made clear that the Company wished, and the Union was prepared

to agree to some protection against excessively long times used in settling disputes. The following recommendation has been agreed to by the parties:

The Board recommends that the proposed clause 6.06 be adopted, with the addition of the following sentence:

The Company may bill the Union for employee time beyond a total of one hour lost in the performance of the grievance procedure.

#### Item 5. Hours of work

##### Article

12.01 The senior 95 per cent of the employees shall be guaranteed a 40 hour work week.

12.02 40 hours shall constitute a week's work, Monday through Friday. Saturday and Sunday work shall be paid for at overtime rates.

12.03 Overtime shall be paid for all hours worked in excess of 40 hours a week and 8 hours a day, whichever provides the greater number of overtime hours.

12.05 Employees away from their home terminals on Company business shall be on duty for 4 hours on Saturday and will receive 6 hours pay at regular rates; in the event an employee is required to work in excess of 4 hours on a Saturday he shall receive overtime rates for all time worked.

The Company now works a 44 hour week, with overtime being paid after 8 hours on each day, and after 4 hours on Saturday. The Union requested a 40 hour week with a guaranteed work week for the senior 95 per cent of employees, but offered to withdraw the request for a guaranteed work week (as in 12.01 above) in return for a satisfactory seniority clause. The Company argued that the cost factors involved in most of the proposed new clauses under article 12 were prohibitive, but did offer to put its commercial operations on a 40 hour week, provided the household moving department remained on a 44 hour week, with the understanding that a worker transferred from commercial to household work for a Saturday morning would work the first 4 hours at his standard rate. The Board was informed that the amount of commercial work undertaken on Saturday morning was extremely small, and concluded that the benefits to be gained by putting it alone on a 40 hour basis were also extremely small.

The Board recommends:

- (a) that no guaranteed work week be written into the contract.
- (b) that the proposed clause 12.05, quoted above, be written into the contract.

#### Item 6. Coffee breaks

##### Article

13.02 During each 8 hour shift employees shall be entitled to 2 coffee breaks without loss in pay.

After discussion between the parties, the Board recommends the following, which was agreed to by the parties:

That clause 13.02 read: During each 8 hour shift employees shall be entitled to two 10-minute coffee breaks without loss in pay. A schedule for coffee breaks for men working (a) on the Company premises, and (b) out on a job, will be worked out by the parties.

#### Item 7. Annual holidays

##### Article

16.03 Employees who request their annual vacation, and are entitled to a vacation, between November 1 and March 31, and such employee takes his vacation without break, he shall receive an additional week's vacation with pay.



It was pointed out that this proposed clause could not mean what it appeared to say, since under it an employee need only request, not take, his vacation within certain dates to qualify for its benefits. The Company again urged that the cost factor involved was prohibitive, partly because lay-offs are common during the winter months and an extra week's vacation would merely involve pay for men not working in any event. The Union presented this clause without strong arguments to support it.

The Board recommends that the proposed clause 16.03 not be written into the contract.

#### Item 8. Uniforms and privileges

##### Article

- 17.01 The Company shall supply coveralls for those employees required to wear them, at no cost to the employees.
- 17.02 Employees required to wear uniforms shall be supplied such uniforms by the Company from a Company approved source. The Company shall deduct from each employee's wages the cost of the uniform at the rate of \$5 per week until such uniform is paid for. The Company shall reimburse each employee who is required to wear a uniform at the rate of \$3.75 per week which amount shall not be deemed to be wages earned. Employees required to wear a uniform shall keep same in a clean, neat and properly repaired condition. Separating employees shall be required to pay for any unpaid balance owing on a uniform in their possession.
- 17.03 Employees who are required to have tool kits will be supplied with a tool kit and will be responsible for keeping the tool kit complete and in good condition. An allowance of 25¢ per week will be paid by the Company to those employees required to have a tool kit. Separating employees will be required to return the tool kit in good condition and will be required to pay for any loss or damage to the tool kit.
- 17.04 The Company agrees that any privileges or working conditions not specifically dealt with in this agreement, that have been enjoyed prior to the signing of this agreement, shall not be discontinued.

Of the foregoing, clause 17.01 was withdrawn in discussions before the Board. Clauses 17.02 and 17.03 were not presented in such a manner as to convince the Board that there was any serious dissatisfaction or injustice involved in the existing arrangements for uniforms and tools. Clause 17.04 seems to the Board to be a reasonable request.

The Board recommends:

- (a) that clauses 17.02 and 17.03, quoted above, be not written into the contract, but that existing practices governing uniforms and tools be made part of the contract.
- (b) that clause 17.04 above be made part of the contract.

#### Item 9. Pay conditions, sick leave and jury duty.

##### Article

- 18.03 Employees shall be entitled to 6 days sick leave each calendar year with the unused portion accumulating to a maximum of 36 days, pay for sick leave shall be calculated at 8 hours pay at regular rates for each day of sick leave.
- 18.04 Any employee who is required to perform jury duty on a day in which he would normally work will be reimbursed by the Company for the difference in the pay he received for jury duty and his regular straight time rate of pay for his regularly scheduled hours of work.

- 18.05 When death occurs to a member of a regular employee's immediate family, the employee will be granted, upon request, an appropriate leave of absence, and if he attends the funeral he shall be compensated at his regular straight time rate from hours lost on his regular schedule on the day prior to the funeral, the day of the funeral and the day following the funeral a maximum of 3 days. Members the employee's family are defined as the employee's spouse, father, mother, son, daughter, brother, sister.

None of these clauses was supported by arguments which the Board found convincing, and while the Board can understand their desirability from the union's point of view, does not see them as necessary parts of a contract now. Clause 18.05, in any event, merely confirm an existing practice.

The Board recommends:

- (a) that clauses 18.03 and 18.04 be not added to the contract.
- (b) that clause 18.05 be written into the contract.

#### Item 10. Wages

Since the parties at no time approached agreement on wages, either with the assistance of the Department of Labour's Industrial Relations Officer, or before this Board, there is little point in recapitulating the details of the various proposals made. In any event, it is conceivable that disclosing details might jeopardize the bargaining position of one or both parties in future negotiations that might arise from this report. In general, it can be said by way of summary that the Company's original position on wages was to offer nothing, and the Union's request was originally for a general increase of approximately 50 per cent spread over 3 years from August 31, 1968. Before the Board, both parties moved from their original positions, but not sufficiently far to give the Board even an indication of what kind of recommendation on its part might facilitate settlement of the dispute on the basis of the Board's report. The Company, naturally conscious of its competitive position, revealed to the Board its financial statements for the past several years. The Union, equally naturally conscious of wage rates being paid by other firms in the cartage and moving business, sought a wage scale that would keep McKee's in line with what the union believed to be competitive wage rates. The union's proposals all included retroactivity to the expiry date of the last contract, nominally August 31, 1968; the Company's did not. The Company submitted detailed calculations of what various changes in wage rates would cost it, exclusive of overtime, and related these to its financial statements.

The Board sees no point in recommending a wage scale already rejected by both parties, and is in the dilemma of having been told by both that their last statement to the Board embodied the furthest they were prepared to go. The two statements together indicate a truly enormous gap between the disputants.

The Board recommends:

- (a) an across-the-board wage increase of 10 cents an hour from the present to August 31, 1969.
- (b) a further 10 cents an hour from September 1, 1969, to August 31, 1970.
- (c) a further 10 cents an hour from September 1, 1970, to August 31, 1971.

(Sgd.) D. Shmigelsky  
Member

(Sgd.) Norman Ward  
Chairman

### MINORITY REPORT

The majority report of the Board has been divided into items numbered 1 to 10. This minority report deals primarily with Item 10 - Wages; this member having signed, along with the Chairman and the other member, items 1 to 9 inclusive.

Items 1 to 9 deal with matters covering what are commonly termed working conditions and fringe benefits. Many of the points dealt with in the items 1 to 9 are distinctly 'cost items' in that they would, if recommended and accepted, affect materially the total cost of any settlement on terms of a new collective agreement. It will be noted that the recommendations contained in items 1 to 9 almost totally reject 'cost items'.

In signing the majority report with respect to items 1 to 9, this member would wish it to be clear that it was not his view that the union's proposals on the matters could not be justified and supported for inclusion in a settlement of the dispute. On the contrary, many of the union's proposals are already contained in part or in full in

other comparable collective agreements in this industry in the general locality of the McKee Moving and Storage Co. Ltd., operations. Therefore, it was simply with some appreciable consideration of the arguments of the employer with regard to ability to meet the monetary demands of the employees, that this member has signed the majority report with respect to items 1 to 9.

On the matter of wages this member recommends:

- (a) In a 30 month collective agreement the union could meet the employer's expressed desire for expiry date.
- (b) Wage increase of 75 cents per hour applicable during the term of the agreement as follows:
  - 15 cents per hour increase effective September 1, 1968.
  - 15 cents per hour increase effective March 1, 1969.
  - 15 cents per hour increase effective September 1, 1969.
  - 15 cents per hour increase effective March 1, 1970.
  - 15 cents per hour increase effective September 1, 1970.

April 8, 1969.

(Sgd.) W.G. Gilbey  
Member



## CANADA LABOUR RELATIONS BOARD

### Reasons for Judgment in Application for Certification

#### Application No. One

Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employees, Old Colony Lodge 443	(Applicant)
and	
Canadian National Railways	(Respondent)
and	
United Transportation Union	(Intervener)
and	
The Railway Employees Department Division No. 4 A.F. of L.-C.I.O.	(Intervener)
and	
International Association of Machinists and Aerospace Workers	(Intervener)

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#### Application No. Two

United Transportation Union	(Applicant)
and	
Canadian National Railways	(Respondent)
and	
Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employees, Old Colony Lodge 443	(Intervener)
and	
The Railway Employees Department Division No. 4 A.F. of L.-C.I.O.	(Intervener)
and	
International Association of Machinists and Aerospace Workers	(Intervener)

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The Board consisted of Mr. A.H. Brown, Chairman, and E.R. Complin, J.A. D'Aoust, Jacques Guilbault, K. Hallsworth, and Donald MacDonald, members.

The Judgment of the Board was delivered by the Chairman.

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#### Reasons for Judgment

1. By Application No. One made on December 9, 1968, the BRASC applies to be certified as bargaining agent for a unit of employees of the CNR employed at St. John's Nfld., and Port aux Basques, Nfld., in the maintenance, repair and servicing of CNR road transport vehicles used in CNR road transport services, both passenger and freight, in Newfoundland, who may be hereinafter referred to as the "garage group". The present classifications of employees in the proposed unit consist of working foreman, mechanic, garageman and garage clerk, excluding the garage supervisor. Based upon the report of the Board's Investigating Officer following his check of the payroll records of the CNR, the employer, and the membership records of the BRASC, the Board finds that there were 10 employees in this proposed unit as at the date of the making of the application of whom 6 employees were members in good standing of the BRASC at that date with no subsequent withdrawals from membership. The

Board finds that the BRASC is a trade union within the meaning of the Industrial Relations and Disputes Investigation Act.

2. By Application No. Two made on December 11, 1968, the UTU applies to be certified as bargaining agent for a unit of employees of the CNR in Newfoundland embracing all the employees of the CNR in the garage group covered by Application No. One together with all bus drivers employed by the CNR in its road cruiser highway bus service in its Newfoundland area. The latter will hereinafter be referred to as the "bus driver group". The present classifications of employees in the bus driver group consist of bus driver, driver trainee and inspector. There are 2 inspectors in number who the CNR advise might be better described as senior drivers on the basis of their present duties. Based upon the report of the Board's Investigating Officer following his check of the payroll records of the employer, the CNR, and the membership records of the UTU as at the date of the application, the Board finds that there were 40 employees in the proposed unit of

whom 25 members in good standing of the UTU at that date. In these totals, there are 10 employees in classifications which comprise the garage group for which the BRASC also seeks certification, of whom 6 were members in good standing of the UTU. There were no subsequent withdrawals from membership. The Board finds the UTU to be a trade union within the meaning of the Industrial Relations and Disputes Investigation Act.

3. The circumstances leading up to the making of these two applications for certification are outlined hereafter. In September, 1967, the CNR applied to the Canadian Transport Commission for leave to discontinue its mainline rail passenger services in Newfoundland which it was operating between St. John's and Port aux Basques, Nfld., and to substitute therefor a highway passenger bus service. Following a hearing on this application in December, 1967, by the Railway Transport Commission, the Committee delivered written judgments on July 3, 1968, directing the issue of an order of the Committee giving leave for the discontinuance of the CNR mainline rail passenger service in Newfoundland with effect from April 15, 1969, provided the CNR has then complied with the conditions laid down by the Committee in its judgment and to be set forth in the order. This order of the Committee was thereupon issued under date of July 3, 1968, as order No. R-2673 and is a matter of public record as are the judgments of the members of the Committee authorizing the issue of the order.

In October, 1968, the CNR instituted trial runs of the road passenger bus service and instituted that service on a commercial basis on December 2, 1968.

The maintenance service upon which the garage group of employees are employed was established by the CNR in September, 1968, to provide maintenance and repair and attendant garage services for CNR road transport vehicles including not only the passenger buses used in the passenger bus service but also the tractors, trailers and trucks used in the CNR highway freight, pick-up and delivery and express services in Newfoundland.

Preliminary notices of the CNR plans for the discontinuance of its mainline rail passenger service and the replacement thereof by a passenger bus service were sent out to employees of the CNR in Newfoundland who might be affected thereby in August, 1967, by the company's Newfoundland Area Manager following upon discussions with the General Chairmen of the several railway trade unions representing such employees. These notices included particulars of the rail positions which the CNR considered would be abolished by such withdrawal, estimated as affecting 128 full time and 53 summer seasonal employees, together with the company's estimate that the bus operation would create an additional 57 new jobs. The notice also expressed the company's hope to be able to fill as many of these jobs as possible from the employees displaced and to be able to offer alternative employment within the company to those who did not wish to accept new jobs. It also expressed the company's intention to give all reasonable assistance and training necessary to make transfers possible. Application forms and questionnaire forms were forwarded for completion and return to the CNR Employee Relations Supervisor at St. John's by those who felt they might be laid off or who preferred not to exercise their seniority and who were interested in employment in the bus operation or elsewhere in the company. Following upon the decision of the Railway Transport Committee of July 3,

1968, further notices were sent out by the CNR under date of July 12, 1968, to the employees who might be affected by the termination of the rail passenger service advising of the intent of the CNR to commence its highway passenger bus service as a full scale operation as soon as possible and of its intention to discontinue the mainline passenger rail service on or prior to April 15, 1969, in accordance with the order of the Railway Transport Committee. There were also discussions by the CNR representatives with the General Chairmen of the interested unions in Newfoundland prior to the issue of these notices and on other subsequent occasions in reference to the matters relating to the anticipated layoff of employees in the rail passenger service in Newfoundland.

According to the evidence, the CNR held instructional courses in September, October and November, 1968, for training rail service employees as bus drivers in the new passenger bus service and for mechanics for the garage operation.

4. Division No. 4 and the IAM submit that Applications No. One and No. Two have both been made prematurely and that the Board should not entertain or act upon either application until there has been a full opportunity afforded to all employees whose existing jobs are affected by the termination of the rail passenger service to bid on other jobs in the company's rail service or in its bus service, nor until all outstanding issues between Division No. 4 and the CNR arising out of the discontinuance of the rail passenger service have been disposed of in accordance with Article VIII of the Master Agreement between the Railway Association of Canada, of which the CNR is a member, and Division No. 4 and its affiliated railway craft unions, dated August 15, 1967. This Article VIII contains provisions which would apply on the introduction by the CNR of technological, operational or organizational changes which would be likely to be of a permanent nature and which may effect a material change in working conditions with adverse effects on the employees covered by the agreement.
5. The Board does not consider that the determination of bargaining rights for employees in the bus service operation or in garage operation should be deferred until this Board is satisfied or until Division No. 4 is satisfied that all of the issues falling within the scope of Article VIII have been resolved in accordance with the procedures of that article. It is quite clear that the provisions of Article VIII could not operate to confer continuing or new rights upon the Division No. 4 or its affiliated unions to represent as bargaining agent employees in the new passenger bus service or garage maintenance service who have transferred thereto from the shop craft units represented by these unions. The determination of such representation rights where in issue rests with this Board under the Industrial Relations and Disputes Investigation Act. The issues raised by these interveners concerning the application of the aforesaid Article VIII are not in the opinion of the Board relevant to the disposition of these applications for representation rights. The Board is nevertheless concerned in its consideration of the applications before it to be satisfied that reasonable and equal opportunity has been afforded by the CNR to the employees whose jobs are affected by the termination of the passenger rail service, to apply and qualify for jobs in the new bus service and in the garage service in so far as practicable. Upon the basis of the evidence



given to the Board, the Board is of opinion that all employees affected have been afforded adequate prior notice and equal opportunity to apply and qualify for jobs opening in the new bus service and in the garage operations in so far as practicable.

6. The garage group of employees covered by Application No. One provides maintenance services for all CNR road transport vehicles in Newfoundland used in both its bus, and road freight haul and express services. The mechanics who comprise the bulk of the employees in this group do not fall within any of the railway shop craft trades. They receive their training under different trades training courses. The CNR officers advise that they do not anticipate any appreciable increase in the number of employees in this garage group in the immediate future. Having regard for the fact that the work of this garage group is not substantially confined to servicing the passenger bus service operations, the Board is of opinion that a unit consisting of employees of the CNR employed at St. John's and Port aux Basques, Newfoundland, in the maintenance, repair and servicing of CNR road transport vehicles, excluding the garage supervisor, is separately appropriate for collective bargaining. The Board directs that a vote by secret ballot of the employees in this unit be taken under the direction of the Board's Chief Executive Officer to determine the wishes of the employees in the unit as to whether they desire to be represented by the BRASC or the UTU or by neither of these two trade unions.
7. The CNR submits that Application No. Two in so far as it relates to the employees in the bus driver group is premature until such time as the company's bus service is in full seasonal operation which it estimates will be in July, 1969. The company estimated that the number of employees in the bus driver group, which had 30 employees at the date of the making of Application No. Two on December 11, 1968, would increase to 40 employees by March 15, 1969, and to some 60 employees by July, 1969. It urges that the determination of the wishes of the employees in the bus driver group should be deferred until at least July next accordingly. Counsel for the UTU submits that the bus service operation has been an established operation since December 2, 1968, that the estimates of personnel requirements made by the CNR are uncertain, and that the determination of the wishes of the employees as to their choice of bargaining agent should not be delayed.

8. The Board finds that a unit of employees of the CNR consisting of bus drivers employed in its road cruiser highway bus service in the Newfoundland area is appropriate for collective bargaining. While in the opinion of the Board, some weight should be given in the circumstances to the build up in the number of employees in the bargaining unit since the time of the making of the application, it does not consider that the disposition of the application should be deferred for the period proposed by the CNR. Subsequent to the date of the hearing on these applications, the CNR has announced publicly that the rail passenger service will not be terminated on or about April 15, 1969, as had been planned, and will be carried on for a further and apparently as yet undetermined period of time, and without interruption of its road cruiser highway bus service.  
In all the circumstances the Board is of opinion that a vote should be taken by secret ballot under the direction of the Board's Chief Executive Officer to determine the wishes of the employees in this bargaining unit with the name of the UTU on the ballot and that the vote should be taken at such date or dates on or after the end of April, 1969, as may be fixed by the Chief Executive Officer.
9. The Board received on March 4, 1969, an application from the Brotherhood Railway Carmen of the United States and Canada dated February 27, 1969, a date subsequent to the Board hearing on Application No. One and Application No. Two, applying to be certified as bargaining agent for the same unit of garage employees of the CNR for whom each of the Applicants in Application No. One and Application No. Two have applied for certification as the bargaining agent thereof. The Brotherhood Railway Carmen is one of the affiliated craft unions comprising Division No. 4 and its action in the making of this application appears to be in direct contradiction of the position taken by Division No. 4 before the Board in opposing Application No. One and Application No. Two.

Ottawa, March 31, 1969

(Sgd.) A.H. Brown  
Chairman  
for the Board







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# CONCILIATION BOARD REPORTS together with CLRB REASONS FOR JUDGMENT

No 4, 1969

## **Conciliation Board Reports in disputes between:**

British Columbia Telephone Company and Clerical Division, Federation of Telephone Workers of British Columbia

British Columbia Telephone Company and Plant and Traffic Divisions, Federation of Telephone Workers of British Columbia

Smeed's Moving and Storage Ltd. and International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America

## **Reasons for Judgment in application affecting:**

International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America (Applicant) and Kent Driver Services Limited (Respondent) and Douglas I. Brown et al (Interveners)



**CANADA DEPARTMENT OF LABOUR**

Hon. Bryce Mackasey, Minister

J.D. Love, Deputy Minister





Report of Board of Conciliation established to deal with dispute between

British Columbia Telephone Company

and

Clerical Division, Federation of Telephone Workers of British Columbia

The Board was under the chairmanship of Professor Joseph C. Smith of the Faculty of Law of the University of British Columbia. He was appointed by the Minister on the joint recommendation of the other two members, George S. Cumming and M.J. Alton, both of Vancouver, who were previously appointed on the nomination of the company and union, respectively. Mr. Alton made minority recommendations concerning wages, hours of work and basic work week. The report was received by the Minister of Labour in May.

The Board held hearings at Vancouver, on the 14th, 15th and 16th of April, 1969 and thereafter met as a Board to consider the evidence and arguments adduced at the hearings on the 18th, 21st, 24th and 28th of April, and the month of May, 1969.

During the course of the hearings the union presented a lengthy brief supported by statistical data together with its numerous proposals for amendments and additions to the collective agreement. The company in turn called a number of witnesses and presented a series of statistical exhibits dealing with the matters in issue.

It was stated that the areas of dispute were as follows: wages; length of contract; retroactivity; vacations; pensions; sickness and disability benefits; hours of work; payment of overtime; basic work week; clarification of overtime authorization; job reclassification; work restrictions on supervisors; area extension for posted job vacancies; transfer expenses; job posting qualifications.

In addition the clerical division of the union joined with the two other divisions, plant and traffic, in presenting a further brief dealing with what is known as the master agreement applicable to all three divisions. In this regard the matters in dispute were stated to be vacations and pension and sick benefit plan proposals.

After giving the matter the most careful consideration it could the Board unanimously recommends as follows:

#### MASTER AGREEMENT

##### Vacations

That Article XII of the working agreement between British Columbia Telephone Company and the Federation of Telephone Workers of British Columbia dated April 1, 1966 and dealing with annual vacations be amended to provide that for the year 1969 employees having 15 years of service with the company be entitled to 4 weeks vacation and that employees having 24 years service with the company be entitled to 5 weeks vacation and that for the year 1970 employees having 14 years of service with the company be entitled to 4 weeks annual vacation and that employees with 23 years service be entitled to 5 weeks annual vacation.

##### Pensions and Sick Benefit Plan

That the Company and the Union execute a letter of understanding that:

- (a) After the signing of the collective agreement the company and the union will enter into discussions to

consider the separation of the pensions and benefits from the existing plan as it relates to bargaining unit employees. To this end, the Board recommends that the company make available to the union and its advisers such information relating to the present plan as may be necessary for the effective conduct of such discussions.

- (b) That pending the result of the discussions to be undertaken between the company and the union concerning the separation of the pensions and benefits from the existing plan as they relate to the employees in the bargaining unit, the company will not, during the term of the collective agreement, reduce the total benefits directly or indirectly payable by it in respect of pension schemes to the detriment of any individual entitled thereto.
- (c) That the company will make applicable to Section 5 (Disability Benefits) of the regulations governing the plan for employees' pensions disability benefits and death benefits dated September 1, 1967 the following:
  1. If circumstances make it appear to the Employees' Benefits Committee that an employee is or has become ineligible to receive or continue to receive disability absence payments, the committee will cause the employee to be advised forthwith in writing of such apparent ineligibility and of the reasons therefor.
  2. A copy of the before-mentioned advice will be sent to the general secretary of the appropriate division of the federation.
  3. Within one month of the date of mailing of such advice the general secretary of the appropriate division of the federation may request the secretary of the Employees' Benefits Committee to meet with him to discuss the matter and to receive representations. Such meeting shall take place within seven days of the request therefor.
  4. If the federation is dissatisfied with the result of a meeting held pursuant to 3., the federation may so advise the director of personnel and within seven working days thereafter the company will arrange a further meeting between the secretary of the Employees' Benefits Committee, the general secretary of the appropriate division of the federation, the director of personnel and the president of the federation.

5. The representations and conclusions, if any, made and arrived at a meeting held pursuant to 3. or, if such further meeting to be held, pursuant to 4., will be communicated to the Employees' Benefits Committee for determination.

6. If the federation is dissatisfied with the determination of the Committee under 5., or is of opinion that the determination is unjust, the provisions of Article VIII relating to arbitration shall apply mutatis mutandis.

With regard to the matters raised by the clerical division the Board unanimously, except where noted, recommends as follows:

#### **Wages**

By a majority of the Board, consisting of the Chairman and Mr. Cumming, that, effective January 1, 1969 the wage rates for the employees in the clerical division be increased by 10 per cent over those prevailing in 1968 and that effective January 1, 1970 the wage rates for the said employees be increased by a further 7 per cent, making a total of 17 per cent over those prevailing in 1968.

#### **Length of Contract**

Consistent with the Board's recommendations regarding wages the term of the contract should be for a period of 2 years commencing January 1, 1969.

#### **Retroactivity**

The Board recommends that the wage increase suggested for 1969 be retroactive to January 1, 1969 and that the employees of the Company be paid, by way of retroactive payment, 10 per cent of their total earnings including overtime earnings from January 1, 1969 to date.

#### **Vacations**

The Board's recommendations in this regard are contained in its recommendations under the heading "Master Agreement".

#### **Pensions**

The Board's recommendations in this regard are contained in its recommendations under the heading "Master Agreement".

#### **Sickness and Disability Benefits**

The Board's recommendations in this regard are contained in its recommendations under the heading "Master Agreement".

#### **Hours of Work**

The Union sought to have the Collective Agreement amended to provide that the hours of work for Clerical employees be reduced from 7½ per day to 7 per day. The Board, by a majority consisting of the Chairman and Mr. Cumming, does not concur.

#### **Payment of Overtime**

The Board recommends: that paragraph 3 of Article II of Appendix 3 of the working agreement between the company and the union dated April 1, 1966 be amended to read

"An employee called out to work outside his regular working hours shall receive not less than two hours time at a rate twice his regular wage rate"; and that paragraph 4 thereof be amended by striking out the word "twelve" and substituting "eleven".

#### **Basic Work Week**

By a majority, consisting of the Chairman and Mr. Cumming, the Board recommends that Article I of Appendix 3 to the Agreement be amended to read as follows:

"1. The daily working hours of any shift shall be seven and a half (7½) hours excluding a maximum of one (1) hour or minimum of one-half (½) hours for a mid-shift meal. The day shall be divided into three shifts as follows:

Day Shift	7:00 a.m. to 6:00 p.m.
Evening Shift	3:00 p.m. to 1:00 a.m.
Night Shift	11:00 p.m. to 8:30 a.m.

Exception: plant service centre clerks - 7½ hours between 2:00 p.m. and 10:00 p.m.

"2. The normal day shift hours shall be between 8:00 a.m. and 5:00 p.m. except when operational requirements necessitate.

"3. The basic work week shall be Monday to Friday except for the following classifications which may be required to work any 5 consecutive days Monday to Saturday: plant service centre clerks; computer operators Class 1 and 2; console operators; tape librarians.

"The evening shift and night shift shall apply only to computer operators Class 1 and 2, console operators and tape librarian classifications.

"Additions to the above may be implemented when operational requirements necessitate. The federation shall be notified in writing prior to the inclusion of such additional classifications."

#### **Clarification of Overtime Authorization**

The union recommended that the word "directed", wherever it appears in Article II of Appendix 3 be deleted and that the word "authorized" be substituted. The Board does not concur in this recommendation.

#### **Job Reclassification**

The Board recommends that the agreement be amended to include a provision for the protection of employees whose jobs may be downgraded as a result of re-evaluations to the following effect: "In the event that a re-evaluation downgrades the job into a lower group, any incumbent in that classification shall not suffer a reduction in his wage rate, but shall continue to be paid the same rate until the applicable rate in the lower group has reached his level, and thereafter he shall progress on the applicable scale in the lower group."

#### **Work Restrictions on Supervisors**

The Board recommends that the agreement be amended to include a provision clarifying the position of supervisors to the following effect: "Supervisors shall act in a supervisory capacity and shall not regularly carry out work normally performed by classified employees except in



cases of emergency or when regular employees are not immediately available."

#### Area Extension for Job Posted Vacancies

The Board recommends that Appendix 3 to the agreement be amended to include provisions relating to job posting and vacancies to the following effect:

"Subject to the provisions of paragraph 5 vacancies in the Clerical Division shall be posted in accordance with the following procedures:

1. Vacancies in Groups 3 to 5 shall be posted only in the localities in which they occur and where there is a position in that locality which is in a lower group than that of the vacancy.
2. Vacancies in Groups 6 and 7 and A to C, and Draftsmen Grade II, occurring in the Greater Vancouver-New Westminster and Victoria areas shall be posted in the respective areas. In other areas notices of vacancies shall be posted only in the localities in which they occur.
3. Vacancies in Groups 8 and D shall be posted throughout the geographic division in which they occur.
4. Vacancies in Groups 9 and E, Draftsmen Grade III, Buyers' and Salesmen's Groups shall be posted throughout the Company.
5. It is recognized that certain positions are closely associated by a natural and obvious connection of duties. When a vacancy occurs in the senior of such associated positions, the department, in consultation with the Industrial Relations Supervisor, may promote the employees in the junior associated positions without reference to the Clerical Job Posting Procedure. Appointments through logical job sequence may not be made which would affect the advancement of any employee more than two groups. In such instances the vacancy shall be posted.

Where there is doubt that a natural job sequence exists, the vacant position shall be posted.

6. Vacancies in Commercial offices having only one or two employees, will not normally be posted."

#### Transfer Expenses

The Board is of the view that the entitlement of employees to the payment of transfer expenses, in the light of its recommendations under heading "13", are covered by the provisions of paragraph 4 of Article XVIII of the master agreement.

#### Job Posting Qualifications

In connection with the concern expressed by the union over the impact of altered educational and other qualifications,

the Board recommends that Appendix 3 to the agreement be further amended by the inclusion of a provision to the following effect: "In any case where the educational qualification for a job is increased from Grade 12 to Grade 13 or equivalent, the Company shall consider that two years of service with the Company together with Grade 12 is equivalent to Grade 13".

Signed at Vancouver, May 2, 1969.

Joseph C. Smith,  
Chairman

George S. Cumming,  
Member

#### Report of M.J. Alton

The minority of the Board recommends in addition to the 10 per cent wage increase effective January 1, 1969 and a further 7 per cent wage increase effective January 1, 1970 recommended unanimously by the Board that a further increase be applied as follows: Effective January 1, 1969 a 2.5 per cent wage adjustment and a further 2.5 per cent wage adjustment effective January 1, 1970, making a total of 5 per cent over those rates prevailing in 1968.

The minority recommends the money to be deposited in a trust fund at current rates of interest and to be applied in an effort to partially eliminate the wage disparities that exist between similar classifications at B.C. Hydro and the B.C. Telephone Company.

The minority further recommends that a joint committee of the Company and the Clerical Division be empowered to carry out this recommendation and any disagreements to be settled by arbitration.

The minority recommends that the hours of work for clerical employees be reduced from 7½ to 7 hours per day effective January 1, 1970.

The minority recommends that the basic work week clause of the collective agreement (Article I of Appendix 3) be amended to comply with the reduction of hours as suggested in the minority report.

Signed at Vancouver May 2, 1969.

M.J. Alton,  
Member

Report of Board of Conciliation established to deal with dispute between

British Columbia Telephone Company  
and  
Plant and Traffic Divisions, Federation of Telephone Workers of British Columbia

The Board was under the chairmanship of Professor Joseph C. Smith of the Faculty of Law of the University of British Columbia. He was appointed by the Minister on the joint recommendation of the other two members, George S. Cumming of Vancouver and D.D. Stupich of Nanaimo, B.C., who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister of Labour in May.

The Board held hearings at Vancouver on the 14th, 15th and 16th days of April, 1969 and thereafter met as a Board to consider the evidence and arguments adduced at the hearings on the 24th, 25th of April, and the 1st of May, 1969.

During the course of the hearings in Vancouver, the union presented a lengthy brief supported by statistical data together with its numerous proposals for amendments and additions to the collective agreement. The company in turn called a number of witnesses and presented a series of statistical exhibits dealing with the matters in issue.

It was stated that the areas of dispute were as follows: Plant Division: wage rates; work week; V.O. Time provisions; annual vacations; overtime; classification for switch lubrication and cleaning; exception shift for installation and repairs. Traffic Division: wage rates.

In addition the two divisions of the union, plant and traffic, joined with the third division, clerical, in presenting a further brief dealing with what is known as the master agreement applicable to all three divisions. In this regard the matters in dispute were stated to be vacations and pension and sick benefit plan proposals.

After giving the matter the most careful consideration it could the Board unanimously recommends as follows:

#### MASTER AGREEMENT

##### Vacations

That Article XII of the working agreement between British Columbia Telephone Company and the Federation of Telephone Workers of British Columbia dated April 1, 1966 and dealing with annual vacations be amended to provide that for the year 1969 employees having 15 years of service with the Company be entitled to 4 weeks vacation and that employees having 24 years service with the Company be entitled to 5 weeks vacation and that for the year 1970 employees having 14 years of service with the Company be entitled to 4 weeks annual vacation and that employees with 23 years service be entitled to 5 weeks annual vacation.

##### Pensions and Sick Benefit Plan

That the company and the union execute a letter of understanding that:

- (a) After the signing of the collective agreement the company and the union will enter into discussions to consider the separation of the pensions and benefits from the existing plan as it relates to bargaining unit

employees. To this end, the Board recommends that the company make available to the union and its advisers such information relating to the present plan as may be necessary for the effective conduct of such discussions.

- (b) That pending the result of the discussions to be undertaken between the company and the union concerning the separation of the pensions and benefits from the existing plan as they relate to the employees in the bargaining unit, the company will not, during the term of the collective agreement, reduce the total benefits directly or indirectly payable by it in respect of pension schemes to the detriment of any individual entitled thereto.

- (c) That the company will make applicable to Section 5 (disability benefits) of the regulations governing the plan for employees' pensions disability benefits and death benefits dated September 1, 1967 the following:

1. If circumstances make it appear to the Employees' Benefits Committee that an employee is or has become ineligible to receive or continue to receive disability absence payments, the committee will cause the employee to be advised forthwith in writing of such apparent ineligibility and of the reasons therefore.
2. A copy of the advice will be sent to the general secretary of the appropriate division of the Federation.
3. Within one month of the date of mailing of such advice the general secretary of the appropriate division of the federation may request the secretary of the Employees' Benefits Committee to meet with him to discuss the matter and to receive representations. Such meeting shall take place within seven days of the request therefor.
4. If the federation is dissatisfied with the result of a meeting held pursuant to 3., the federation may so advise the director of personnel and within seven working days thereafter the company will arrange a further meeting between the secretary of the Employees' Benefits Committee, the general secretary of the appropriate division of the federation, the director of personnel and the president of the federation.
5. The representations and conclusions, if any, made and arrived at a meeting held pursuant to 3, or, if such further meeting to be held, pursuant to 4., will be communicated to the Employees' Benefits Committee for determination.



6. If the federation is dissatisfied with the determination of the committee under 5., or is of opinion that the determination is unjust, the provisions of Article VIII relating to arbitration shall apply mutatis mutandis.

#### **Wages**

With regard to the matter of wages, which were items in dispute in both plant and traffic divisions the Board recommends that effective January 1, 1969 the wage rates for the employees in both divisions be increased by 10 per cent over those prevailing in 1968 and that effective January 1, 1970 the wage rates for the said employees be increased by a further 7 per cent making a total of 17 per cent over those prevailing in 1968.

#### **Work Week (Plant)**

With regard to the employees in the plant division the Board further recommends that effective January 1, 1970 the basic work week be reduced from 40 hours to 37½ hours, it being understood that plant employees working such hours will be paid for 40 hours.

#### **Shift Differentials (Traffic)**

With regard to the employees in the traffic division, the Board has noted that the company has agreed to adjust the shift differentials by applying to them the percentage increase in rates recommended by the Board for the years 1969 and 1970 respectively on the differentials prevailing in 1968 and rounding such adjustments upward to the nearest five cents.

#### **V.O. Time Provisions**

Both the union and the company made representations to the Board with regard to V.O. time provisions, the union recommending certain textual modifications to these pro-

visions and the company recommending that they be eliminated in their entirety. It is the Board's recommendation that in view of the proposed introduction of the 37½ hour week in 1970 the V.O. time provisions be deleted and the working agreement amended accordingly.

The company make two recommendations for amendments to the existing agreement as it affects the plant division.

The company suggested that a new classification be created for persons employed in the cleaning and lubrication of switches, a task now performed by higher rated skilled personnel. The Board does not concur in this suggestion.

The company also recommended an amendment to paragraph 1 of Article I of Section 1 of Appendix 2 to the agreement relating to hours of work which would change the working shift of certain installation and repair crews from 3:00 p.m. 11:00 p.m. to 2:00 p.m. - 10:00 p.m. The Board recommends that this be acceded to, subject to the proviso that not more than 15 per cent of a scheduled group so employed be scheduled to work such a shift.

#### **Vacations and Overtime**

The plant division, in addition, made certain recommendations with regard to overtime and the percentage of plant employees that should be allowed off on vacation at any one time. The Board does not concur in these submissions.

Signed at Vancouver, May 1, 1969.

Joseph C. Smith,  
Chairman.

David D. Stupich, M.L.A.  
Member.

George S. Cumming,  
Member.

Report of Board of Conciliation established to deal with dispute between

Smeed's Moving and Storage Ltd., Regina  
and

Local 395, International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America

D.W. Smythe was chairman of the Board and the members were K.W. Busch, union representative, and J.W. Hamilton, company representative. The report of the Board was received by the Minister in May.

The International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, Local 395 and Smeed's Moving and Storage Ltd., Regina, Saskatchewan signed a collective bargaining agreement on December 12, 1967. By that agreement, the hourly rate for "L.D. Furniture Drivers" (a classification which the parties and the Board use as a "key" classification) was set at \$2.00 effective December 1, 1967 and \$2.10 effective March 1, 1968. The same agreement provided that the parties "will reopen for negotiations of wage rates" on or after October 31, 1968. The bargaining unit consists of about 35 employees in seven job classifications; the lowest-paid of these is currently 7 cents per hour below the highest.

As provided by the agreement, the Union requested re-negotiation of the wage schedule in the autumn of 1968. The original request of the Union was an across-the-board increase of 35¢ per hour on November 1, 1968, and a further increase of 6¢ per hour on March 1, 1969. The Company countered with a proposal that the wage schedule be reduced by 25¢ to 32¢ per hour. Upon failure of the parties to reach agreement in bilateral negotiations, the union applied for conciliation on September 26, 1968. One or more meetings were held by the parties with A.E. Koppel, Industrial Relations Officer, who, on February 11, 1969 made a "final report" which was provided to this Board. We quote from this report:

"The Company claimed that the Industry (Moving and Storage) has suffered a loss in volume of business and consequently they are in no position to implement any wage increases and under the existing conditions would have difficulty in maintaining the present staff. The Company also claimed that the competition has different conditions to what they have and in some instances this places them at a competitive disadvantage.

"The union would not accept the company's argument and were not prepared to consider any reduction in the present rates.

"As the union were negotiating with other companies in this industry it was agreed to suspend negotiations to see what wage pattern developed from these other negotiations.

"Following a settlement the union had reached with one other company, the union and the company held further discussions to try and finalize an agreement, however this was not successful, although the company did indicate that they could maintain present conditions for the balance of the agreement.

"Both parties had indicated that the appointment of a Conciliation Board would serve a useful purpose."

Mr. Koppel recommended that a Conciliation Board be appointed and the present board was appointed on March 19. By a series of agreements of the parties its life was extended to May 15. The Board held an organization meeting on April 1. It then notified the parties that it would hold a hearing to receive evidence and hear argument on April 4. At the hearing the union was represented by George McCullough, Edward Marchtaler and George Gillespie, and the company by R. Weldon Moffatt and W.R. Gavlas. Briefs were presented by both parties and full opportunity afforded to members of the Board and the parties to raise and answer questions and to offer evidence and argument.

At the public hearing the initial position taken by the union rested its wage proposals on two factors: (1) comparative wage adjustments being negotiated with other companies and (2) the low wage structure of the cartage industry in this province. The continued rise in the cost of living had been advanced by it in re-opening the wage negotiations in September, 1968, but this factor was mentioned in the public hearing only as subordinate to the first two factors.

The union's agreement with Tremaine Cartage and Storage, Ltd. of Regina dated 10 December, 1968 was introduced in evidence. Tremaine, a company alleged to be competitive with Smeed's, had agreed to a key rate ("pool car checker") rising from \$2.18 on September 1, 1968 to \$2.31 on March 1, 1969, to \$2.44 on September 1, 1969, to \$2.57 on March 1, 1970, and to \$2.70 on September 1, 1970. MacCosham's Van Lines, Ltd., of Saskatoon was currently in negotiations with another union, but MacCosham's in Edmonton, where employees were represented by the Union, had a current rate for over-the-road trailer drivers of \$2.60 under an agreement running to December 31, 1969 with rates progressing to \$3.40. Regina Cartage and Storage, a business claimed to be comparable to Smeed's, had negotiated an agreement with another union in March, 1969 under which the top rate had increased by 22¢ to \$2.27 on April 1, 1969. Security Storage, Regina, currently had a top rate of \$2.13 and was in new contract negotiations currently. Soo Security Motorways, Ltd., Regina, with a current rate of \$2.33 was currently in negotiations with the union. Millar and Brown Freight Lines, Regina, under a current contract with the Union, had a key rate of \$2.78, rising to \$2.88 in September, 1969. Empire Freightways Ltd., Regina, under a current contract with the union, had a key rate of \$2.61, rising to \$2.71 in September, 1969. Western Expressways Ltd., Regina was currently negotiating its first agreement with the Union. To illustrate its contention that Saskatchewan wage rates in the storage and cartage business are low, the union offered evidence that its agreement with B.C. Cartage and Storage Companies provided current wage rates of \$3.60, rising to \$3.90 in January, 1970.

The company's position at the outset of the public hearing was that it was unable to sustain an increase in



wages, that its current rates were "adequate" and compare with the labour rates at other household goods operators in the province". On ability to pay, the company asserted: "The past two years have been difficult for our industry. A modest increase in revenue of 4% in 1967 was completely by an increase in the cost of labour. The cost of labour increased again in 1968, however revenue was down 8% from 1966 resulting in a financial loss to the company."

Its evidence concerning comparative wage rates may be summarized as follows:

Hourly rates for Long Distance Furniture Drivers  
March, 1968 April, 1969

Smeed's Regina	\$2.10	\$2.10
MacCoshman's, Saskatoon	1.95	2.03
Northern Distributors, Saskatoon	1.94	2.02
McKee, Saskatoon	2.08	2.08
Regina Cartage, Regina	2.00	2.27
Security Storage, Regina	1.92	2.13
City Cartage, Prince Albert		1.60
Winders Storage, North Battleford		1.98

At the April 4th, public hearing, it was agreed by the Board and the parties that it might be useful if the Board met separately with the parties and this was done. In its separate meeting with the Board, the union presented a compromise offer, to wit that the top job classification for Smeed's, "Shipper and Warehouseman" which currently stands at \$2.10 per hour be increased by 26¢ per hour and that such increase be applied across the board, such increase to be apportioned between an amount retroactive to November 30, 1968 and an amount retroactive to March 1, 1969 in a manner to be negotiated. The alternative offered was a strike vote recommendation.

In its separate meeting with the Board, the company was advised of the union's offer. The company representative stated that W.M. McElroy, owner of the company, had left the city on April 1 for a vacation; that he had instructed the company representative to maintain a position of unwillingness to raise wage rates above the current rates. The company representative stated he would advise Mr. McElroy of the union offer at the earliest possible opportunity; that Mr. McElroy was due to return to Regina on April 15; that he would advise the Chairman of the Board of Mr. McElroy's response to the offer.

In its concluding joint meeting with the parties at the April 4 public hearing, the Board advised the union of the response of the company representative to its offer. Both parties thereupon agreed that the Board hold the matter open until Mr. McElroy might respond to the union offer. The Board announced that upon receipt of Mr. McElroy's response to the union offer it would call a second meeting of the parties to consider the matter at that time. It was noted that apart from the level of wage rates, the only other issue open for negotiation was the extent of retroactivity, if any, of such wage adjustment as might be agreed to.

Subsequent to the public hearing, the Board received April 5, 1969, a letter addressed to its Chairman by the company, the body of which states:

"Our management committee has met and discussed the latest proposal of the union in their wage dispute with us.

"Mr. McElroy made it quite clear to us before he left the city that we should not consider any

rates higher than those listed in our report to the Board of Conciliation. It seems to us that there is no point in waiting for him to return.

"Unless further information is required by the Board, we suggest that you proceed with your report to the Minister."

The Board held an in camera meeting on April 19, 1969 at which it considered the alternatives open to it. At that time it agreed that, in light of the company letter of April 5, 1969, no further meeting of the parties with the Board appeared to be worthwhile. It agreed to seek release by the union from the commitment made by the Board on April 4 for a further meeting of the parties with the Board upon receipt of a response from the company to the union proposal made at the public hearing. It agreed to proceed to prepare and file its final report and to advise the parties of its intention to do so. And it agreed to seek permission of the parties to extend the life of the Board to April 30 before which time the Board's report would be filed.

The parties were notified of the Board's intention to prepare and file its report. The union released the Board from its commitment to hold a further meeting with the parties. The parties agreed to the extension of the Board's life to April 30. And the Chairman of the Board prepared a report for the Board. Before that report could be multicopied, the Chairman received April 21, 1969 a letter from the company which said:

"We have had a chance to examine the report handed down by Dr. Ward on the dispute between McKee Moving and Storage Co. Ltd., and the Teamsters.

"This report recommended an across the Board increase of 10 cents per hour from the present until August 31, 1969 and a further increase of 10 cents per hour from September 1, 1969.

"This matter has been discussed with our principal and we are prepared to alter our position to accept a report on that basis."

Upon receipt of this letter, the Chairman consulted the other Board members and the parties and by unanimous agreement scheduled a further meeting of the Board with the parties on April 23. At that meeting the company's letter of April 21 was read. The union commented that the McKee award was not acceptable to it; that the McKee award had been accepted neither by McKee Moving and Storage Co. Ltd., nor by the employees of McKee who were preparing for a strike. For its part, the union proposed to the Board and the company a specific disposition of the problem of retroactivity as it related to the union's previous offer of 26 cents per hour. The positions of the parties on April 23 were therefore as follows:

Hourly Rates of Key Occupation					
	Present	Nov. 1, 1968	April, 1969	Aug. 1, 1969	Sept. 1, 1969
Union	2.10	2.19	2.27	2.36	2.36
Company	2.10	2.10	2.20	2.20	2.30

In light of the fact that the parties were not far apart, it was agreed to meet again on May 3, 1969 at which time the Company representative stated that he hoped to be in a position to negotiate more flexibly. The Chairman observed that in the opinion of the Board the company had not sub-

stantiated its claim of inability to afford an increase in wages. Only a simple, unsupported declaration of that conclusion had been offered by the company. The meaning of such a statement depended on information about management salaries, lease or rental arrangements, and corporate organization in relation to revenues, expenses and income. Although cognizant of its legal power to compel production of books and records, the Board was not requesting production of such evidence as it did not wish to embark on an investigation into such matters on its own motion. The Board did, however, feel that candour required it to state its evaluation of the claim of financial hardship. The parties at this hearing agreed to a request for continuation of the life of the Board until May 15.

When the Board opened its meeting with the parties on May 3, the company presented the following written statement signed by R.W. Moffatt, Secretary-Treasurer:

"The wage proposal as outlined in our submission to the Board on April 4th, 1969, was to maintain the present rates with the key rate of \$2.10 per hour for shippers, warehousemen and long distance drivers. On April 21st we advised you that we were prepared to reach agreement to a 10 cent per hour increase from the present, a further 10 cents per hour increase from September 1, 1969 and a further increase of 10 cents on September 1, 1970 continuing to August 31, 1971. Dr. Ward recommended this settlement for the employees of McKee's. Our discussions at the meeting that followed indicated that the proposed increase would date from the date of acceptance by the Union and would continue until August 31, 1971.

"On January 10, 1969 they suggested a key rate of \$2.30 per hour effective November 1, 1968 increasing to \$2.36 per hour on March 1, 1969. At the April 4, 1969 meeting the Union proposed key rates of \$2.23 per hour from November 1, 1968 and \$2.36 per hour from March 1, 1969. A new proposal was made on April 23, 1969 by the Union, of \$2.19 from November 1, 1968, \$2.27 from March 1, 1969 and \$2.36 from August 1, 1969.

"The Union is arguing for a retroactive pay adjustment. The Company disputes this because the winter months are loss months for our industry and the Company can ill afford to pay a retroactive adjustment of \$3,275.00.

"Wages are defined as that which is paid for work or services as labor's share of the products of industry. It therefore seems appropriate that labor and management should be prepared to accept periodic adjustments of wage scales. The Company has made these adjustments and they have been in excess of the long time average increase of the gross national product.

"We refer to Section 21.01 of the Collective Agreement. This provides that the wage schedule is a minimum schedule. The Company is permitted to and does, when it sees fit, pay rates higher than those provided for in the schedule.

"Another factor influencing wage rates is the local supply of labour in relation to the local

demand for labor. The Company knows that it must pay rates that will attract labor.

"The Company has stated its position and has no further arguments to present.

"We await the Board's report."

The union stated that MacCosham's Van Lines Ltd., Saskatoon, and the CBRT had agreed to an increase of 18¢ effective April 1, 1969, a further increase of 9¢ effective October 1, 1969, and a further increase of 27¢ effective April 1, 1970 as part of a new two-year contract. The Chairman, who had previously been similarly advised by Mr. Elchyson, Chief Officer, Industrial Relations Office, Saskatchewan Department of Labour, confirmed this statement. The Board proposed several compromise solutions in light of the closeness of the parties' positions. The union made two further compromise offers, the later one of which reduced its demand on retroactivity by dating it back to December 1, 1968 rather than November 1, 1968, and by reducing the amount demanded to \$3.50 per week per employee covered by the agreement who was still employed by the company. This offer also proposed that current wage rates be set at \$2.25 per hour effective May 17, with a further increase to \$2.36 on August 1, 1969, effective until expiration of the current contract. As foreshadowed by its opening statement the company refused to consider anything other than its proposal of April 23 based on the McKee Board majority opinion. As a consequence of this stalemate, the Board concluded the proceedings and notified the parties of its intention to submit the present report.

## CONCLUSIONS

We recall that prior to the creation of the Board, the posture of the parties to the dispute was that the union was asking for an across-the-board increase of 35¢ on November 1, 1968 and a further increase of 6¢ on March 1, 1969, a total of 41¢ while the company had offered to maintain the existing wage rates for the balance of the time the agreement had to run (see quotation from Mr. Koppel's report). We also recall that, according to this report "both parties had indicated that the appointment of a Conciliation Board would serve a useful purpose."

We are impressed with the fact that as a result of our efforts, the Union did take two substantial steps toward conciliation. First, it reduced its demand from a total of 41 cents to a total of 26 cents, with the amount of the increase to be applied retroactively to November 30 open to further negotiation. And secondly, it made a final offer which (a) would soften the burden of retroactive wage payments substantially, and (b) would set a current rate two cents an hour lower than previously requested which would be effective during the period of peak business prior to August 1.

We are also impressed with the fact that, despite our efforts, the company took only one step toward conciliation — and that under take-it-or-leave-it conditions. Down to April 21, the Company had taken the position that even prior to the holding of our first hearing with the parties it had determined not to consider any rates higher than those now existing, coupled with the suggestion that the Board make its report to the Minister. Even after the April 23 hearing when in making its only conciliatory gesture the company representative seemed to concede that his position



was rigid and suggested that a postponement might produce more flexibility in it, flexibility did not appear. In his statement at the outset of the hearing on May 3, the company position was "The Company has stated its position and has no further arguments to present. We await the Board's report." When one of the parties to a conciliation proceeding discloses that it had determined to maintain a previously taken position adamantly, regardless of what transpired during the conciliation proceeding, it raises a serious question whether in fact that party had believed that the appointment of a Conciliation Board would serve a useful purpose.

As well as reporting the above procedural and substantive actions, the Board feels an obligation to state its own conclusions on the merits of the dispute. The Company's principal argument against a wage increase appears to be its own alleged inability to sustain increased wage costs. However, the Board notes that the Company rested this argument on simple assertions with no offer of evidence to support it. The Board notes that such simple assertions may or may not be well-founded depending on the nature of the corporate organization of the company, depending on the size of the managerial salaries, if any, paid by the company to its owner, depending on the nature of the contractual provisions for leasing equipment, disposing of revenues and income from affiliated moving companies, etc. While the Board, under the terms of the Industrial Relations and Disputes Investigation Act, Section 33, had the power to compel production of relevant books and records, the Board believed that the company was adequately apprised of its skepticism concerning the substantiation of this allegation and that resort to its legal powers was unnecessary. Because the company did not support the proposition that it was unable to afford the increased wage costs, the Board is unable to accept such alleged inability as fact.

Other issues raised during our proceedings were competitive wage standards in the Regina market and retroactivity in application of negotiated wage increases.

The uncontroverted evidence is that the wage rates for hauling and storage by companies with collective bargaining agreements in Regina have been increased substantially in the past year and tend to be higher than Smeed's, as the following tabulation shows:

		Hourly Rates of Key Occupations				
		Mar. 1 '68	Sept. 1 '68	Apr. 1 '69	Sept. 1 '69	Oct. 1 '69
Regina:						
Smeed's	\$2.10			\$2.10		
Tremaine			\$2.18	2.31	\$2.44	
Regina Cartage	2.00			2.27		
Security Storage	1.92			2.13	(negotiating new contract)	
Soo Security				2.33	(negotiating new contract)	
Millar & Brown				2.78	2.88	
Empire Freightways				2.61	2.71	
Saskatoon:						
MacCosham's	1.95			2.21		\$2.30
McKee	2.08			2.08	(on strike)	

Acknowledging that the composition of the traffic may not be strictly comparable in all instances between the

companies in the Regina market, it still appears to be true that comparable labour skills in that market are more amply rewarded by Smeed's competitors for labour than by Smeed's. On these grounds we see justification for increase in the key classification rates of 26 cents an hour for Smeed's. This specifically rests on comparison of Smeed's rates with those paid by Regina Cartage, the composition of whose business appears to be substantially similar to that of Smeed's, as well as the general wage structure in the Regina market. The change in MacCosham's rate in the linked Saskatoon-Regina market supports the same conclusion. Evidence concerning higher wage rates outside this province from the union, or lower wage rates of unorganized or striking companies within the province from the company appears irrelevant to the immediate problem.

Retroactivity in wage rate negotiations in collective bargaining was specifically recognized by the current contract between Smeed's and the Teamsters. Schedule "A" of that agreement provided "An employee, continuously on the staff on November 1, 1967, to day of signing this Agreement will receive a retroactive pay adjustment of \$15.00 in lieu of an hourly rate adjustment." This clause, of course, referred to retroactivity as applied at the beginning of the contract. The present proceedings arise from Article 23 of the contract which provides for reopening for negotiation of wage rates. It must be assumed that the customary practice in collective bargaining as exemplified in this contract recognizes the principle of retroactivity in the application of wage increases within the terms of the contract.

We come finally to our recommendation. Whatever the merits of Smeed's claim of financial inability to compete for labour at going rates, the Board believes that on grounds of public policy, labour standards should not be depressed as a means of providing management with competitive advantage over its business rivals in the local market. We take judicial notice of the factor of increases in the cost of living as reason for wage increases in this case. We conclude that the union in this case has offered a reasonable compromise in its final proposal that current wage rates be set at \$2.25 per hour for the key occupation effective May 17, 1969, with a further increase to \$2.36 per hour on August 1, 1969, to run to expiration of the contract, and that retroactive wage payments of \$3.50 per week per employee covered by the Agreement who was still employed by the Company he made for the weeks from December 1, 1968 to May 17, 1969. As to the current rate, this offer substantially splits the difference between the Union's previous offer of \$2.27 and the Company offer of \$2.20. As to the retroactivity, the approximate cost to the Company will be reduced from the \$3,275 referred to in the Company's statement of May 3 to approximately \$1,800 - again a substantial compromise.

May 6, 1969

D.W. Smythe,  
Chairman

K.W. Busch,  
Member

J.W. Hamilton,  
Member

Reasons for Judgment in Application for Certification affecting

International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America	(Applicant)
and	
Kent Driver Services Limited	(Respondent)
and	
Douglas I. Brown et al	(Intervenors)

The Board consisted of A.H. Brown, Chairman, and E.R. Complin, J.A. D'Aoust, Jacques Guilbault, A.J. Hills, Donald MacDonald and G. Picard, members. The Judgment of the Board was delivered by the Chairman.

The Applicant applied under date of Feb. 3, 1969, to be certified as the bargaining agent of a unit of employees of the Respondent described as all employees of the Respondent save and except foremen and those above the rank of foreman and office staff. The classifications of employees shown on the Respondent's payroll who are in the proposed unit are those of driver and mechanic.

The Respondent in its reply to the application states: (1) that the description of the unit appropriate for collective bargaining should be all drivers and mechanics save and except foremen, those above the rank of foreman and office staff; (2) that it opposes the application on the ground that the application is sub judice in that the Applicant has applied for certification as bargaining agent for the same group of employees under applications made by it prior to the present application wherein the Applicant claims them to be the employees of another company, namely Frederick Transport Limited and/or employees of Frederick's Trucking Limited; and (3) that the application does not truly reflect the intention of the employees.

On February 24, 1969 the Board received from one Douglas I. Brown, an employee of the Respondent, a petition signed by 24 persons, 23 of whom are employees of the Respondent included in the proposed bargaining unit. The petition is accompanied by an affidavit made by Brown verifying the signatures thereto and is worded as follows: "Re Teamsters Local 880 and Fredericks and Kent Drivers Service Ltd. We drivers and mechanics do not wish the union to represent us as our bargaining agent in our negotiations and if we signed a card want it back." Brown is categorized by the Respondent as a lead hand mechanic in charge of the maintenance mechanics in the proposed bargaining unit.

The Applicant had filed also with the Board two other applications bearing the same date, February 3, 1969, to be certified as bargaining agent for an identically described bargaining unit comprised of the same employees who are covered by the present application for certification. However the Applicant in describing these employees in one of these applications claimed these employees to be the employees of another company, namely Frederick Transport Limited and in the other application it claimed these employees to be the employees of still another company, namely Frederick's Trucking Limited. In submitting these three applications for certification simultaneously to the Board, the Applicant explained that the three companies appeared to operate under the same direction and the Applicant was uncertain as to which of the three companies

was the actual employer of the employees whom it had organized and for whom it sought to secure recognition as their bargaining agent.

Each of Frederick Transport Limited and Frederick's Trucking Limited in its reply to the application for certification of the Applicant as bargaining agent stated that it had no employees in the unit of employees as described in the application.

A joint hearing was held by the Board on the three applications for certification. According to the evidence given to the Board at this hearing, all three companies namely the Respondent and Frederick Transport Limited and Frederick's Trucking Limited, have a common ownership, and a common management and appear to carry on their operations out of common offices at Merlin, Ont. Frederick Transport Limited operates a commercial carrier road transport service for the transportation of various types of commodities on international road transport routes between points in Canada and points in the United States and on interprovincial routes between points in the Province of Ontario and points in the Province of Quebec and on intra-provincial routes in the Province of Ontario. These operations are carried on under extra-provincial operating licences issued to it under The Motor Vehicle Transport Act (Canada 1954) and public commercial licences issued to it under The Public Commercial Vehicles Act of Ontario. Apart from a minor exception, the road transport vehicles and other equipment utilized by Frederick Transport Limited in these road transport operations is provided to it by Frederick's Trucking Limited, the owner thereof, under agreement between them.

The employees of the Respondent in the bargaining unit for which the Applicant seeks certification are the drivers and mechanics who drive and service the vehicles operated by Frederick Transport Limited in the road transport service which it carries on under the route licences referred to above. The services of these drivers and mechanics are so provided to Frederick Transport Limited under an agreement with the Respondent, the particulars of which were not gone into at the hearing. The employees of the Respondent whose services are thus utilized in the operations of Frederick Transport Limited are the employees in the bargaining unit for which the Applicant seeks certification as their bargaining agent. The Respondent does not provide employees in these classifications for similar service to any other road transport firm although its evidence is that the Respondent is prepared to do so and has made unsuccessful bids in the past to provide such services to other road transport firms.



The Board finds that the Applicant is a trade union within the meaning of the Industrial Relations and Disputes Investigation Act and that a unit of employees of the Respondent consisting of drivers and mechanics engaged in the operation and maintenance of the road transport equipment used in the commercial road transport operations carried on under the extra-provincial operating licences and public commercial vehicle operating licences issued to Frederick Transport Limited, Merlin, Ont., under the Motor Vehicle Transport Act (Canada 1954) or The Public Commercial Vehicles Act of Ontario excluding the president and general manager, vice-president, secretary-treasurer/traffic and sales manager, operations manager and maintenance manager, foreman, and office staff, is an appropriate unit for collective bargaining. The Board finds also upon the report of the Investigating Officer based upon his check of the payroll records of the Respondent and the membership records of the Applicant that a majority of employees in the said bargaining unit constituting 60 per cent thereof were members in good standing of the Applicant as of the date of the application.

The major issue raised for determination by the Board, and to which the bulk of the evidence and arguments advanced at the hearing was directed is the question as to the weight to be given to the petition filed on behalf of the Interveners as evidence of the true wishes of the employees and as warranting rejection of the application or in any event the ordering of a vote of the employees in the unit.

The Board has considered carefully the evidence given as to the manner and circumstances under which the signatures to the petition of the Interveners were secured and the nature and effect of the discussions carried on by senior officers of the Respondent around or subsequent to the date of the application with individual employees in the bargaining unit as these discussions pertained to the merits of the application and possible changes in employment conditions which might follow in event of certification and the sequence of events in the calling of the meeting of employees which was held on February 8, 1969, the bringing of senior management of the Respondent into the meeting and into the discussion at the meeting as to the choice of the Applicant as bargaining agent and the alternative of setting up an employees' organization and the manner of financing the same. The Board concludes therefrom that there was an intervention by management of the Respondent which had the effect of influencing the employees against the selection of the Applicant as their bargaining agent and which was coercive in its cumulative effect upon them.

In the case of Teamsters Local 91 vs. Taggart Service Ltd., this Board in its Reasons for Judgment reported in 64

CLLC para. 16015 included in Canadian Labour Law Reporter Transfer Binder 1964-1966 said "An employer may express his views and give facts in an appropriate manner and circumstances on the issues involved in representation proceedings insofar as these directly affect him and has the right to make appropriate reply to propaganda directed against him in relation thereto. However he should bear in mind in so doing the force and weight which such expressions of views may have upon the minds of his employees and which derive from the nature and extent of his authority as employer over his employees with respect to their wages, working conditions and continuity of employment. He should take care that such expressions of views do not constitute and may not be reasonably construed by his employees to be an attempt by means of intimidation, threats or other means of coercion to interfere with their freedom to join a trade union of their choice or to otherwise select a bargaining agent of their own choice".

In a small community such as that out of which the Respondent operates and the employees reside, the relationships between management and employees tend to be very close in a relatively small sized operation such as is carried on in the present instance. This was pointed up in the evidence and in the arguments of counsel as a relevant consideration in weighing the effect of the employer's actions as brought out in evidence of the employees.

The Board concludes that little weight can be given to the expression of the views of the employees set forth in the petition of the Interveners as evidence of their real wishes. Neither does the Board consider that a vote by secret ballot of the employees in the unit at this point could be expected to provide reliable evidence of the desires of the employees as to selection of the Applicant as their bargaining agent, in the light of all the circumstances. The Board concludes that in the circumstances of this case the evidence of majority union membership in good standing which has been found by the Board should be accepted as determinative of the wishes of the majority of employees in the unit to select the Applicant as the bargaining agent to act on their behalf.

An order will issue certifying the Applicant as the bargaining agent for the unit of employees of the Respondent which the Board has found to be appropriate for collective bargaining.

Dated at Ottawa, May 5, 1969.

A.H. Brown  
Chairman for the Board







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CONCILIATION BOARD REPORTS  
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No 5, 1969

**Conciliation Board Reports in disputes between:**

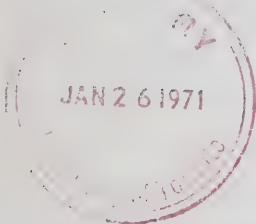
British Columbia Maritime Employers Association and Canadian Area, International  
Longshoremen's and Warehousemen's Union

Canadian Pacific Air Lines, Limited and International Association of Machinists  
and Aerospace Workers

Quebec North Shore and Labrador Railway Company and Brotherhood of  
Maintenance of Way Employees

**Reasons for Judgment in application affecting:**

International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America  
(Applicant) and Tudhope Cartage Limited (Respondent) and Bruce Epps et al  
(Intervenors)



CANADA DEPARTMENT OF LABOUR

Hon. Bryce Mackasey, Minister

J.D. Love, Deputy Minister





Report of Board of Conciliation established to deal with dispute between  
British Columbia Maritime Employers Association  
and  
Canadian Area, International Longshoremen's and Warehousemen's Union

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The Board was under the Chairmanship of R.A. Gallagher, Q.C., of Winnipeg. He was appointed by the Minister of Labour in the absence of a joint recommendation from the other two members of the Board, A. Boyd Ferris and William A. Stewart, both of Vancouver, who were previously appointed on the nomination of the employers and union, respectively. The report was received by the Minister of Labour during July. Mr. Stewart submitted a minority report disagreeing with the report of the Chairman.

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Meetings were held by the Board with the parties at the City of Vancouver on the 23rd, 24th and 25th days of June, 1969.

The last collective agreement between the parties was for the period of three years commencing August 1, 1966, and it expires on July 31, 1969.

In the month of April, 1969, the Union served the Association with its demands with respect to a new agreement. These demands consisted of some 26 articles and many of these articles contained several demands.

The Association in turn submitted to the Union a totally new collective agreement which set forth a completely different philosophy to govern the relationship of the parties.

The parties apparently met on several occasions but were unable to arrive at any final agreement on the matters at issue between them.

At the meetings before this Board both parties made full submissions in support of their respective positions. In addition, the Board met with the parties separately and, as well, the Chairman met with the parties separately on several occasions. Finally, the parties met together in the absence of the Board with a view to finding out if they could resolve their own problems.

The Board deeply regrets that it has been unable to bring the parties together in an agreement, particularly in view of the fact that this is an area of relations between employer and employees which is of such great importance to the economic well-being and the economic life of our country as a whole, and Western Canada in particular.

While the Union had indicated before the appointment of this Board that it doubted whether the Board could serve a useful purpose, it must be stated that the Union came before this Board prepared to enter into the conciliation procedures to the fullest extent, and that, in fact, the Union did so.

This Board wishes to record its appreciation both to the representatives of the Association and to the representatives of the Union for their excellent submissions, their candor and forthrightness, and the assistance which they gave to the Board.

While agreement was not reached, the spirit between the parties is one of mutual respect and goodwill, and this Board feels that, with such spirit manifest, the parties will be able to resolve their difficulties without resort to other procedures.

However, since agreement between the parties was not reached, it becomes the duty of this Board to report its findings and recommendations to you.

This cannot be done without reference to the historical relationship between the parties since the issues involved are highly complex and technical.

In the Board's view, any lay person embarking on a problem involving the longshoremen's industry should, before doing so, read the following articles which will give at least a minimal understanding of the complexities and problems involved: Mechanization clause in new United States Dockworkers' Agreement, International Labour Review, Volume 86, No. 1 (July 1962); The I.L.W.U. - P.M.A. Mechanization and Modernization Agreement by Lincoln Fairley, Labour Law Journal, July 1961; Working Rules in West Coast Longshoring by Max D. Kossoris, Monthly Labour Review, January 1961; The Modernization of West Coast Longshore Work Rules by Charles C. Killingsworth, Industrial and Labour Relations Review, April 1962.

Generally speaking, prior to the Second World War, the longshore industry on the West Coast of Canada was one in which the ability to do manual labour of a very strenuous nature was the prime requisite of the longshoreman. General cargoes were loaded and unloaded by hand and there was little use of machines other than winches, cranes and the like used for lifting cargo inboard and outboard.

As a result of this type of employment, and with a vigilant union concerned with the safety and welfare of its members, certain restrictive or protective work rules were negotiated between the parties. As an example only, this Board mentions the rules relating to the size of "gangs", that is, the number of men who must be employed as a gang or unit to perform a particular loading or unloading task.

Whether, as a natural extension of these work rules or as a separate issue altogether, there gradually developed as well, a series of make-work rules. The union was, of course, vigilant to protect for its members those areas of work which it felt were the task of longshoremen and, at the same time, to ensure that the health and welfare of its members would not be endangered by speed-up of operations, onerously lengthy hours of work, and the like.

Again, as an example only, the Board refers to the practice whereby a pallet of cargo must be set down on the dock when unloaded from the ship's hold and then lifted by longshoremen off the pallet onto the dock itself before the truck loading personnel, who are members of another union, could load such cargo into the trucks or other transport equipment for movement to its final destination.

The necessity generated by the requirements brought about by the Second World War, of having ships unloaded, loaded and on their way as quickly as possible, of manhandling massive tons of general and special cargo, and the many other situations of this nature well-known to all Canadians, probably had a great, if not a major, influence on the use of mechanical equipment in the loading, unloading and movement of cargoes.

Forklift trucks, improved cranes and winches — all these and more came into widespread use. The impact of this type of mechanization on this industry was such as to change the whole concept of longshoring work.

However, the matter has not rested there. During the past 20 years, in this industry as in others, mechanization has continued to develop and expand. Improved equipment has appeared in almost every area of longshore work, new ships have been developed to handle specific cargoes in the most efficient and economical manner, and, in addition, the totally new concept of "containerization" has not only entered upon the scene but is rapidly establishing itself in most major ports of the world as the most efficient and economical system of carrying cargo, now and for some time into the future.

The word "containerization" suggests its meaning, but, so that there will be no doubt about it, the Board would like to add the following remarks: A container is merely an outer skin or box which can be packed with various sized commodities. The packing of a container is called "stuffing" and the unpacking of a container is referred to as "unstuffing". There are many advantages to the container system, some of which are:

- containers can be prepared in advance of the ship's arrival;
- containers can be stored in the open both before loading and after unloading with no damage to the contents;
- containers (with their substantial cargo) can be loaded and unloaded in a minimum of time with a minimum work force;
- containers can be forwarded after unloading, and in the same form as when loaded, to their ultimate destination.

That containerization appears to be the most modern and efficient method of shipping goods, and the one which will revolutionize the shipping industry, finds support in the fact that, for example, the Port of Liverpool has spent millions of dollars to provide new equipment and make this port a container centre for the British Isles, and that the City of Seattle on the U.S. West Coast has also spent millions of dollars to the same end and makes no secret that it is in open competition for container traffic with other West Coast ports including the ports of British Columbia. Special ships have been, and are now being, built at tremendous capital costs, or are on the drawing boards, to handle container traffic alone.

The longshoremen, the shipping companies, the ports, the stevedore companies and the export industries of Canada, are caught up in this technological revolution. Canada, as an exporting nation, must remain competitive in foreign markets. But being competitive encompasses many things. Among them in the longshoring industry are:

1. the ability to load and unload ships as quickly as in any other competitive port so that "turn-around time", the tying up of ship's crews, demurrage on the ship itself, docking charges, etc., are not out of line with other competitive ports; and
2. the ability to provide the necessary services so that the overall cost of transporting goods from their source to the hold of a ship is competitive with other forms of transport, to enable this industry to remain viable in the face of competition by rail and truck.

Thus we have had since the Second World War, a revolution in the longshoring industry with entirely new

concepts and procedures, the implementation of which, on a proper basis, would make the industry viable through efficiency and productivity.

The difficulty which must be faced is simply that, in this era of modern technology and mechanization, the parties in this dispute are bound by the restrictive or protective work rules and the make-work rules of the past which were negotiated by them under entirely different circumstances, and which, to say the least, are not merely archaic but are of such a nature that, if they continue, they will doom the future of the ports of British Columbia as leading ports of the world.

This Union, which holds the contracts on most, if not all, of the ports on the U.S. West Coast, recognized this problem some eight or nine years ago. The Union, realizing the gravity of this problem to its members, entered into negotiations with the Pacific Maritime Association (the employer's group). These negotiations resulted in the doing away with most, if not all, restrictive or protective work rules and make-work rules, at a substantial cost to the employers. While it is difficult to obtain figures, since this great change in the relationship of the parties, it seems safe to say that the agreements reached by the parties in relation to these ports have resulted in advantage to all concerned, and have made this industry, in these areas, productive, efficient and profitable.

The Union in this case has clearly indicated that it is prepared to accept an entirely different concept to govern its members' relations with the employers. It is prepared to accept the wiping out of restrictive or protective work rules and of make-work rules, and to endeavour to arrive at a solution whereby the ports of British Columbia are as competitive, in terms of efficiency and productivity, as other major ports in the world.

This, in the Board's view, is only good sense. The welfare of the members of the Union depends in turn on the economic welfare of the employers and, through them, on the economic welfare of industries and businesses in Canada as a whole.

But, the acceptance of such a new concept and new philosophy does not result only in advantage to the Union. There can be no doubt that it will result in a drastic reduction in the work force, both those employees which this Board loosely calls permanent employees, and casuals. In addition, the problems of early retirement, level of retirement incomes, guaranteed work hours for the remainder of the work force, welfare benefits, and the like, all enter into the total picture.

The Union has stated that while it is prepared to accept this new concept, it feels that it is giving away to the Employers something of substantial value to its members (restrictive or protective work rules, make-work rules, etc.), won by it in the course of bargaining over many years, and that, before doing so, it will require the Employers to provide a substantial amount of money to take care of the points referred to above.

The Employers' Association, on the other hand, emphasizes that, without radical change in the relationship of the parties, the longshore industry in British Columbia will not long survive — at least, certainly, not as some of the major ports of the world. That it is in the self-interest of the members of the Union to ensure that the industry remains healthy and strong by being competitive in all aspects, and that, while it is prepared to make certain financial commitments to achieve the adoption of this new concept, the Employers' Association is not prepared to meet the Union's demands either from an economic point of



view or from the view that it is in the self-interest of the members of the Union to agree on what are necessary and long overdue changes in this employment relationship.

As can be seen, the problems facing the parties are easy to state, but the answers to the problems are not capable of easy solution.

At the end of the previous contract which expired July 31, 1966, the basic rate for longshoremen was \$3.38 per hour. Commencing with the new contract (August 1, 1966) this rate was increased by 50¢ an hour, running through the full three years of the contract, or a rate of \$3.88 per hour from August 1, 1966 to July 31, 1969. In addition to this wage increase, substantial monies were provided by the Association, particularly in the area of supplementary pensions. The reason for these increases was, in part, that the Union agreed to the deletion of some restrictive or protective work rules in exchange for certain financial benefits.

Nevertheless, it is to be observed that a longshoreman, in the years 1966-1967, 1967-1968 and 1968-1969, who worked full-time, without overtime, could earn, as a basic annual income, the sum of \$8070.40 exclusive of vacation allowances. The hourly figure, with overtime included, during the last year of the contract, appears to have resulted in an average rate for 8 hours of \$34.40

In the longshoring industry on the U.S. West Coast the basic rate, as of July 1, 1969, was \$4.08 per hour. However, under these contracts, the longshoreman works the first 6 hours at straight time, and the last 2 hours of the 8-hour shift at time and one-half, or, in other words, 9 hours pay for 8 hours worked. This gives an average rate, as at July 1, 1969, of \$4.59 per hour. This particular provision has never been a part of the agreement with respect to British Columbia ports.

After this brief background information, this Board would now like to address itself to making recommendations for the settlement of the disputes between the parties. Before doing so, however, the Board wishes to enunciate its philosophy as to its function in this dispute.

The Board does not feel that it has to act as a draftsman for the parties. Neither does it feel that it would be wise to suggest solutions to the many technical and highly complex problems regarding working conditions since the Board members have neither the training nor the experience to do so meaningfully.

The Board's view is that there are a number of major areas of dispute. If these can be resolved through the Board's assistance, it will enable the parties, who have the knowledge and experience requisite to the task, quickly to resolve the balance of the issues.

The Board has set forth its philosophy because it believes sincerely that it is of fundamental importance to their relationship that the parties make their own bargain: that they are the people best equipped to understand the problems and to see the solution, and that this Board is not equipped, either through training or by experience, to put forth recommendations on highly complex and technical matters, which it could hope to be acceptable to the parties. Finally, the Board does not have at its disposal sufficient time in which to acquire such knowledge or experience nor is there, in its view, any reasonable purpose in its doing so.

The Board is satisfied that the major issues so far as the Association is concerned are as follows:

1. Flexibility of the work force
2. Availability of personnel of the work force

3. Guarantee of work
4. Extended shifts
5. Scope of Collective Agreement
6. Containerization
7. Total monetary package.

The Board is also satisfied that the major issues so far as the Union is concerned are as follows:

1. Guaranteed work week
2. Wage increase
3. Increase in pension contributions
4. Increase in supplementary pension contributions
5. Welfare contributions
6. Union members to do all regular maintenance
7. Containerization.

#### Flexibility of the work force

The Association by its proposal on this point is suggesting that the employer has the right to fit the right man into a particular job, to use the correct number of men for any given job, and when a particular task is finished to direct an employee to some other task so that 8 hours pay produces 8 hours of productive work.

It is this Board's view that the Association's request on this point is supported by reason and logic. This Board therefore recommends that the parties should negotiate provisions giving to the employer the right not only to direct the working force in the broadest sense, but particularly the right to assign and transfer employees, to select the qualified person for a particular job and to select the number of persons who shall be qualified for any particular work and to specify whom shall receive necessary training.

However, this right should not be one capable of exercise in an unbridled or arbitrary fashion, since for every right acknowledged there is a corresponding obligation or duty.

The Board therefore recommends that the right to direct the working force and to assign and transfer the members should be subject to grievance procedure insofar as seniority, ability and qualifications are concerned.

#### Availability of personnel of the work force

To the present time the situation regarding availability of personnel in this industry is somewhat unusual. Although the employee is paid from a central pay office which is operated by the Association, such employee is in fact the servant of the employer company. In one week, or a month, an employee could conceivably work for a number of different employers, that is, a number of shipping companies, a number of stevedore companies, or a combination of both.

The industry appears to be divided into 4 basic working groups.

There is first that group of employees who have steady work in the sense that they regularly report to one specific employer on a regularly assigned work week basis. The Association has called these employees the Company Regular Work Force and the designation appears appropriate. The question of availability is not relevant to this group and this group is a small part of the total work force. It might be added that these employees are members of the Union.

The second group of employees, much larger than the first, and also members of the Union, are those employees who report at certain specified times in the day to a central hall (called a "Despatch Hall") from which they are despatched to available openings, and the procedure for such despatch is governed by certain well-established rules.

This second group is really the backbone of the work force and has been called by the Association the Industry Assigned Work Force, which designation seems most appropriate.

The matter of availability of the employee arises particularly in relation to this group. The reason is simply that, to the present time, there has been no requirement that the employee report at a specified time for despatch. The employee can report or not as he chooses, or as the mood moves him, or as his initiative dictates. Further, the employee can almost, under this system, "pick and choose" the type of work he will do, and, further, can select the shift work with shorter hours to his own advantage.

The defects of such a system are so obvious that they need no outlining here. It is sufficient to say that no business should be required to operate under such conditions as to availability of seasoned and experienced employees. Further, no person who has made his life's employment that of longshoring, with its reasonable standards of remuneration and fringe benefits, should have the right to come to work or not as he sees fit regardless of the work load on hand, or to pick and choose the type of work or the particular hours which he will work.

The Board is of the opinion that the parties should negotiate provisions into the new agreement between them whereby this group of the work force shall report for despatch at times stipulated by the Association and shall accept such work as may be assigned to them, and that the members of the group are capable of performing.

The third group of employees, who are also members of the Union, has been called by the Association the Despatched Work Force. It is comprised of those longshoremen registered by the Association for work under the terms of the agreement and who do not fall into the two categories or groups mentioned above.

In this Board's view, the same comments as to availability apply to this group as well.

It is not necessary in this Board's view to deal with the other group of employees who may be classified generally as casuals. These people are the itinerant workers who come and go as they please and accept such work as may be available at the time. The Association has suggested the division of this group under two headings with certain rules to apply to the first heading called the "Registered Casual Work Force". This Board is of the view that the Association's suggestion is reasonable.

#### **Guarantee of Work.**

As can be seen by the comments and recommendations of this Board under the two preceding headings, what is in effect being suggested is the transition of the industry's employment from one of a casual nature into a system whereby the employer not only has a work force that he can count on to report for duty but also that he can schedule in such fashion as will meet the rise and fall of the work load caused by the many uncertainties of the shipping industry. In addition, this system would give to the employer the flexibility that will enable him to adapt his work force or that he will have the proper number of qualified persons for all tasks without any significant loss of man-hours.

In this connection, this Board would like to deal at this time with a further point which really goes hand in hand with the guarantee of work.

Up to the present, work performed on Monday to Friday has been paid for at regular rates of pay, subject to certain exceptions such as a reduced work period for night work. Work on a Saturday has been limited in its scope and paid for at premium rates, and work on Sunday has been prohibited, except in certain specified instances.

The above comments relate to the Deepsea Ship Operation alone, since other rules apply to other segments of the industry.

The Association had broached to the Union, as a part of the new philosophy to govern their relations, the matter of work being performed 3 shifts per day, 7 days per week, 365 days per year. The Union indicated that it accepted this changed concept subject to agreement being reached on the major matter of wages and the matter of a guaranteed work week, among other things.

The Union indicated that it was adamant in its position that a 40-hour work week must be guaranteed.

The Association replied that the obtaining of a 3-shift, 7-day per week operation appeared to be of great value to the Association only in theory; in practical fact it would be of very little value for some considerable time to come since it would require a complete re-organization of the Association's method of carrying on its administrative functions, the installation of a computer to handle the despatch of employees, the re-scheduling of ships, and, in effect, the time needed to expose shipping companies in particular to this new concept; and so on. The Association stated that, in its view, the matter of work on Sunday was not of such value and importance that it was prepared to pay a substantial price for this convenience, and indicated that it was quite prepared to abandon its request for Sunday work.

This Board is of the opinion that a 3-shift, 7-day per week, 365-day per year operation in Deepsea Shipping is an inescapable requirement, and that the parties have illustrated their good sense in arriving at this conclusion.

This Board, however, is also of the view that the ability to make use of this type of operation will not be reached for some time, and the Board therefore recommends a two-stage scheme for its implementation.

The Board recommends that in the new collective agreement between the parties, in the first year thereof, the parties provide for a system of three shifts per day, Monday to Friday, both inclusive; one shift on Saturday, at a specified time to be set by the Association; and one shift on Sunday at a specified time to be set by the Association, all in each week. Further, that the parties provide, in the second year of the agreement, for a system of 3 shifts per day, 7 days per week, 365 days per year. Further, that all of the foregoing shifts be paid for at the basic straight-time rate of pay, plus differentials where applicable.

In this Board's view the foregoing is the logical solution to the problem in that it provides an interim period for adaptation and adjustment, yet giving at the same time an interim flexibility which should enable the industry to become more efficient and productive.

In the Board's view, the matter of a guarantee of work is tied to what has gone before. We have no doubt that, by reason of increased efficiency and productivity, the shipping industry will be able to effect substantial savings in costs and will experience a substantial rise in profits.

In our view the advantages of technological change should not all fall to the employer. The employee has a



vested interest in the industry which he has made his life's work. In addition, the benefits to be derived from the change in the philosophy of the relationship of the parties should not pass solely to the employer. The employee is no more the sole author of the restrictive work rules and make-work practices of the past than the employer. Each must accept an equal share of responsibility for their evolution and continuance. While they now agree that these archaic procedures should be scrapped, it would not be just or equitable to suggest that this be done to the benefit of only one, or to the detriment of the other.

This Board is of the opinion that the new agreement between the parties should provide for a guaranteed work week of 32 hours (exclusive of any premium paid hours, which premium hours shall be treated as straight time hours for the purposes of the quarterly calculation hereinafter referred to) in the first year of the agreement for all employees in the group previously referred to as the Industry Assigned Work Force, and a guaranteed work week of 40 hours (exclusive of any premium paid hours as above set forth) commencing with the second year of such agreement for this group. In addition, the Board is of the opinion that the averaging principle should be applied to the said guaranteed hours, and that this averaging should be done in the first year of the agreement over a period of 13 weeks to the quarter or 416 working hours, and, in the second year of the agreement over the same quarterly period but to a total of 520 hours.

#### **Extended Shifts.**

This Board can appreciate the problems which can be encountered in an industry which is so dependent upon weather, the decisions of third parties, mechanical breakdowns, etc. Also, it is appreciated that the tying-up of a ship, worth millions of dollars in many cases, the tying-up of ships' crews, demurrage, etc., can be a matter of serious cost to the shipowner, charterer, shipping company, etc.

This difficult situation can only be compounded if the ability of an employer to work an employee beyond his regular quitting time is unduly and unreasonably restricted.

In this Board's view, the present provisions in the agreement are unduly restrictive. These provisions appear to indicate generally that an employee can only be worked one hour past the end of his regular shift.

In this Board's view, the parties should provide, in the new agreement, that an employee may be worked up to 4 hours beyond the end of his regular shift provided that he is paid for all hours so worked at the rate of time and one-half (or pro-rata for any portion of an hour) and, provided further that, after a period of 2 hours of such extended shift, the employee shall be entitled to a rest period of at least 20 minutes with pay at said overtime rates. This provision should apply to all shifts as set forth in Item 3 above.

#### **Scope of Collective Agreement.**

This heading of the Association's includes among its parts heading No. 6 of the major issues of the Union as set forth by the Board above - namely, Union members to do all regular maintenance.

The real issue between the parties appears to be that the Union wishes to ensure that all regular maintenance work on the docks be done by members of the Union. The Association does not disagree with this objective, but goes further and says that from time to time there are particular maintenance tasks which require special skills or training and that the employer must be in a position to

"contract out" such work. The Union replies that there should be no "contracting out" unless there is prior discussion and agreement between the parties.

It is difficult to visualize a solution which will meet the objectives of both parties, and, at the same time, provide a solution to the multitude of problems which may arise in this area.

The Board does not feel that the employer should have the unrestricted right to sub-contract dock maintenance work as it may wish. Neither does it feel that the imposition of prior discussion and mutual agreement, as proposed by the Union, will serve any useful purpose.

While this Board does not like to expand the area where grievance procedure can be invoked, it seems the only logical solution to this problem.

The Board therefore recommends that the parties provide in the new agreement that the employer may sub-contract routine dock maintenance work to persons outside the collective bargaining unit provided that no member of said unit is available within a reasonable period of time and capable of performing such work in a proper and workmanlike manner, with the further proviso that the grievance procedure shall apply with respect to the questions of availability and capability, and also providing that the employer may contract out any work not specifically related to the handling of cargo whether inbound or outbound while in the confines of the dock or the ship.

#### **Containerization**

While at first it appeared to this Board that this matter might be one of the most difficult issues between the parties, further discussion appeared to indicate that a reasonable solution was available and would be acceptable to the parties.

This Board therefore recommends that with respect to any container, the contents of which are consigned to more than one consignee, that members of the bargaining unit shall have the right to unload the contents of the container; and that, with respect to any container, the contents of which are to be loaded or "stuffed" on the employer's premises, such as warehouses, marshalling yards, etc., that members of the bargaining unit shall have the right to load or "stuff" the same.

Containers consigned to one consignee: or loaded ("stuffed") off the employer's premises, and without his control, whether assigned to one or more consignees; and incoming containers consigned to more than one consignee, all of such consignees being situated outside the lower mainland area, shall be loaded or unloaded onto or from the ship as the case may be, by the members of the bargaining unit without said members having the right to "stuff" or "unstuff" the same.

Before dealing with item No. 7 of the Association's points, it may be useful to summarize that the Board has now dealt with items Nos. 1, 6 and 7 of the major issues of the Union as found by this Board, and as set out above.

There remains to be dealt with: total monetary package; wage increase; increase in pension contributions; increase in supplementary pension contributions; welfare contributions.

In the Board's view these items are all interconnected and can be dealt with at one time.

First, the Board would like to deal with welfare contributions. Without going into any detail it appears that the Association and the Union are agreed that, to provide certain increased welfare benefits, they will each contribute 1¢ per union hour based on the 1968 union hours, which

this Board understands was somewhere in the vicinity of five million. The Board so recommends.

The next issue which the Board wishes to deal with is that of the wage increase. The Union has taken the position based on the new philosophy of 3 shifts, 7 days per week, 365 days per year, which it has agreed to accept, that all shifts in a day should be paid at the basic rate of \$51 per shift.

While many figures were quoted by both sides as to what the present average total shift pay really is, it seems to the Board that, stripped of all nice refinements, the present average for an eight-hour shift can be at most 8 X \$3.88 or \$31.04. However, since overtime at present plays some part in arriving at the average shift figure, the Board feels quite safe in using the Association's figure of \$34.40 as representing the average pay for a shift.

The figure of \$34.40 gives an hourly rate for an 8-hour shift of \$4.30. The figure of \$51 as proposed by the Union gives an hourly rate of \$6.37½. The increase represents 48.5 per cent on a one-year contract as requested by the Union.

The Association, for its part, does not accept, first, the idea of the same rate for each shift and in fact, proposed wage differentials for what are referred to in this industry as the first shift and the third shift. Second, the Association completely rejected the figure of \$51 proposed by the Union indicating that from an economic point of view, it was impossible even to consider this proposal. In return, it proposed hourly increases of 15¢ in each year of a three-year agreement, resulting in base rates of \$4.03 at August 1, 1969; \$4.18 at August 1, 1970; \$4.33 at August 1, 1971.

It is to be noted that 15¢ per hour applied to the existing basic hourly rate of \$3.88 represents an increase of slightly less than 4 per cent in the first year of the agreement, and a smaller percentage in each succeeding year of the agreement.

In this Board's view, neither of the parties are being realistic in their approach to this problem.

With respect to the Association's point of view, this Board appreciates that it finds itself in the predicament of being in an industry with a high hourly rate of pay and now faced with demands which are not only exorbitant in its view, but which could result in the death of this major industry. But this situation is not the fault of the Union any more than of management; it is the result of a situation in which the employers were prepared to pay a substantial hourly rate to attract personnel so long as the employers were not tied-in to guarantees of hours of work of any kind and could look upon the employee as a casual employee to be hired and fired as the volume of work increased or decreased. And presumably, until now, the members of the Union were prepared to render their services under these conditions.

Now, both parties, faced with the grim fact that change must come if the industry is to survive, have agreed to accept an entirely new philosophy to govern their relationship.

The Association says in effect that this should come about at little additional cost since it is paying very high hourly rates at the moment. The Union replies that the pattern of wage increases in the ports of the West Coast of the U.S., plus the fact that it is giving up certain restrictive and make-work rules, warrant a substantial wage increase.

This Board does not accept either view as being completely valid, although it acknowledges that there is some merit in the positions of both parties.

It seems to the Board that what it must keep foremost in mind is the economic well-being of Canada as a whole, and Western Canada in particular. In addition, the Board must have in mind the welfare of this industry, for, on it, depends the welfare of its employees.

While percentage increases in other areas of the industrial life of our country, and of Western Canada in particular, are not really helpful until one knows the base rate against which the percentage is applied, it is safe to say that, in this case, such statistics can be of assistance since the base rate in this industry is as high as, if not higher than, that in any other industry of which this Board has knowledge. The pattern of wage increases across Canada in the past year has been between seven and nine per cent on an average. The Board does not say that any such pattern is binding upon it, but it does say that it is a matter which it must consider.

This Board then, after considering all of the foregoing factors, is of the opinion that the new agreement between the parties should provide for wage increases as follows: August 1, 1969 - 35¢ an hour or an hourly rate of \$4.23; August 1, 1970 - 35¢ an hour or an hourly rate of \$4.57.

In addition, the Board is of the opinion, and so recommends, that the first shift and third shift should bear an hourly differential. The Board makes no recommendation as to the amount of such differential since it is the Board's view that the parties are best able to determine what the appropriate differentials should be.

Further, the Board does not wish to be understood as recommending a two-year agreement from the foregoing remarks. The Board does feel that the new agreement should not be for any period less than two years, but it leaves it to the parties to determine if the period involved should be greater than two years.

In connection with the Union request for an increase in supplementary pension contribution, it should be noted that this pension apparently came into existence some five years ago at a time when certain changes were negotiated in the work rules and the employers agreed to establish a supplementary pension in order to achieve this concession.

The benefits granted under this plan are not minor. They represent \$7200 (72 monthly payments of \$100) which become fully vested in the union member at age 62 with 25 years of service, or at any age if such member becomes disabled and has 15 years of service.

This benefit is in addition to the regular pension benefits, and the age of 62 was no doubt agreed upon between the parties in order to encourage early retirement, which, coupled with normal attrition of the work force, would have enabled the reduction of the work force without displacement to a significant degree.

However, the Union is now seeking substantial amendments to this plan, namely:

An increase from \$7200.00 to \$13,000.00;

Full vesting at age 60 with 25 years' service;

Pro rata entitlement for employees at age 65 with 15 years of service;

Payment in full of the total amount to those entitled at age 65;

Same eligibility rules as under the ordinary pension plan;

Plan to be funded.



While the submissions of the Union with respect to these suggested amendments have not proved persuasive to this Board, it would seem only reasonable that the Board should set out its views with respect to this plan.

First, the Board does not necessarily accept the principle that to achieve a relaxation from archaic work rules which unnecessarily hamper an industry and will eventually reflect in the economic lives of the work force, an employer must pay a bonus.

However, whether or not this Board is of the same view, the fact is that the employers in this case did pay for the relaxation of these rules. The Board notes, however, that what is being proposed by the Union now is that the employers shall continue to pay in ever increasing sums for something that was negotiated about five years ago.

To this Board the suggestion has little, if any, merit, unless the Union is prepared to accept that, under different economic circumstances, the figure of \$7200 and the conditions relating to entitlement, are subject to substantial downward revision.

In the Board's view, the supplementary pension plan was a single, isolated transaction, conceived in a moment of necessity due to circumstances over which the parties then had no real control, and was in fact a solution once and for all of a problem then facing the parties. It is a matter which should not be subject to the ordinary give and take of collective bargaining.

The Board is strengthened in its view by the fact that, while the Union advanced these requests, it really gave no reasons founded in economics or in logic as to why its requests should be implemented, other than quoting the situation in the ports of the West Coast of the U.S. and the fact that without any explanation given employers there agreed to increase the amount of the pension to \$13,000.

One factor of the Union's requests does appeal to this Board as being reasonable and logical. It is the request that the full payment of \$7200 be made to a member at age 65.

While the Board appreciates that this may involve a further cost to the employer, nonetheless the Board cannot cast aside the principle that equity and fair dealing should enable a person at this age to elect whether he should receive that to which he is then entitled in one lump sum or spread out over a period of 6 years.

The Board therefore would recommend that the new agreement between the parties should provide that an employee entitled to the benefits of the supplementary pension plan should have the right to elect whether or not he wishes the payment of the said benefits in one lump sum at age 65, or, alternatively, in 72 payments of \$100 each.

The last point to be dealt with is the matter of an increase in pension contributions.

The Union has requested the following points:

Basic pension to be \$235.00 per month with 25 years of service, and \$9.40 per month per year of service for those with less than 25 years;

Voluntary early retirement at age 60;

Improved disability benefits;

Pension supplement on Canada Pension Plan;

Full vesting for service prior to October, 1967;

All existing pensioners to get full benefit of new standard;

That contributions be based on a tonnage basis.

The members of the Union have been covered up to July 31, 1969, with a pension plan on a terminal funding basis, with joint employer-employee control. Since January 1, 1959, the plan has been financed by employer contributions of 16¢ per union man-hour, and the rate of pension has been set from time to time at whatever the actuaries determined the revenues would support. At present the rate is \$4.55 per month per year of service with no upper limit and with normal retirement at age 65, and disability retirement at age 60 or later with no actuarial reduction. This pension plan is at present showing an actuarial surplus, conservatively figured, of 4 per cent.

The issue is further compounded by the fact that the law will now require that future benefits be funded. This change in status will mean that if the existing pension plan is to continue on the same basis, then the employers, rather than contributing 16¢ per union man-hour will be obliged to contribute approximately a further 16¢ per union man-hour to meet this requirement. When one considers that in the year 1968 there were in excess of five million union man-hours the total impact of meeting the requirements of the law becomes quite evident.

This Board's view is simply that while every person would like to obtain better pension benefits, the Union's requests amounting as they do to an increase of some 48¢ per hour are entirely unrealistic.

This Board is of the opinion that the parties should provide in the new agreement for an increase in the employer's contributions to this plan in the first year thereof in such an amount as will be necessary to fund the plan in accordance with the law.

Further, this Board is of the opinion that, commencing the second year of the agreement, the employer's contributions to this plan should be increased to provide a monthly rate of pension of \$6 per year of service with no upper limit and a normal retirement age of 65, plus disability retirement at age 60, or later, with no actuarial reduction.

Mr. Ferris has indicated his concurrence with the findings and recommendations in this Report by telegram sent to the Chairman. Time limitations do not permit the signing of this Report by him, but he has authorized me to advise you as to his concurrence.

(Sgd.) R.A. Gallagher,  
Chairman.

#### REPORT OF WILLIAM A. STEWART

While appreciating the lengthy argumentation put forward by Mr. Roy Gallagher, Q.C. as Chairman of the above Board, I find myself in disagreement with his argumentation, and naturally, with his conclusions.

I feel his recommendations regarding wages were inadequate and the Union's position presented both orally and by documentation fully justified their request.

Secondly, on the question of pensions, the inference by the Chairman was that said pensions could be reduced, which, in this day and age is not only inadequate, but a step backwards.

Consequently, I feel the Union's argumentation for the welfare and well-being of their membership is completely justified.

My third major disagreement with the Chairman's report is on the seven-day continuous production. The Company's representative minimized the Union's willingness to give up the six-day production and introduce the seven-day continuous production to such an extent that it indicated to me how important it actually was to them.

As we are all well aware, the labour movement is fighting for a reduced working week and more leisure time. Because of this I feel that the Chairman did not place enough stress on the Union's demand for compensation in acceding to the seven day continuous production.

As stated in the beginning of this report, I could go into argumentation on the 33 pages of the report, however, I feel this would serve no useful purpose, consequently, I have confined my remarks to the three points as stated above, all of which is respectfully submitted.

(Sgd.) William Stewart,  
Member

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Report of Board of Conciliation established to deal with dispute between

Canadian Pacific Air Lines, Limited

and

International Association of Machinists and Aerospace Workers

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The Board was under the Chairmanship of Dr. Noel Hall of Vancouver. He was appointed by the Minister of Labour in the absence of a joint recommendation from the other two members of the Board, J.A. Boume and Harry Rankin, both of Vancouver, who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister during July.

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The Board was appointed pursuant to the Industrial Relations and Disputes Investigation Act following unsuccessful attempts by Mr. D.S. Tysoe, Chief Conciliation Officer, Western Region to bring about an agreement between the parties for a new collective agreement to replace Agreement No. 17 which expired on February 28th, 1969.

The parties agreed that the Board was properly constituted under the Act. The parties further agreed that in the event that the Board should be unanimous in its recommendations, each party would recommend acceptance of the Board's report to their respective principals.

The Board held hearings on June 18th, 19th, and 20th, 1969 in the offices of the Department of Labour, 900 West Hastings Street in the City of Vancouver to hear submissions from the parties. The parties agreed to extend the time for the filing of the Board's report to Thursday, June 26th, 1969.

The Board met on subsequent occasions to consider the submissions of the parties in an endeavour to bring about a settlement of the dispute. The Board is of the opinion that the following recommendations will provide the basis for a new collective agreement between the parties.

#### RECOMMENDATIONS

1. That the following new clause be added to Article 1 – Preamble: The purpose of this agreement is in the mutual interest of the Company and the employees, to provide for the operation of the services of the Company under methods which will further, to the fullest extent possible, the safety of air transportation, the efficiency and economy of operation, and the continuation of employment under conditions of reasonable hours, compensation, and working conditions. It is recognized by this Agreement to be the duty of the Company and of the employees to co-operate fully both individually and collectively, for the advancement of that purpose.

2. That no change be made in the Agreement with respect to the request for a new clause concerning sub-contracting of work.

3. That Article 3, Clause 8 be deleted and the following substituted: At certain field bases where the hours of service as provided under Clauses 1 and 7 are not fully practicable by reason of the requirements of the service, the hours of such employees may be varied by mutual agreement between the Company, the System General Chairman of the Union and a majority of the employees concerned. Any such variations will be detailed in a letter and can be cancelled by the Company or the Chairman at any time.

4. That Article 3, Clause 18 (c) be deleted, as agreed by the parties.

5. That Article 3, Clause 19 remain unchanged.

6. That Article 4, Clause 1 – General Holidays be amended to provide an additional floating holiday for a total of ten (10) general holidays, with the understanding that as many employees as possible at the Vancouver Maintenance Base will be allowed to take it on Boxing Day, subject to the requirements of the service.

7. That the request for a new clause with respect to loss of pay when absent from work due to a compensable injury not be granted.

8. That the request for a new clause with respect to loss of pay when on jury duty not be granted.

9. That Article 7 – Qualifications of Employees be amended to reduce the qualification time of Mechanics from the present six (6) years to three (3) years. Further, that no change be made with respect to the holding of currently effective Department of Transport licenses.



10. That the request for changes in Article 7 with respect to Radio, Electrical and Stores personnel not be granted.
11. That a new clause be added to Article 7 as follows: Management personnel shall not engage in or be utilized in any way which may be construed as performing work which is normally accomplished by personnel covered by the Agreement as outlined in this Article, except as may be required by emergency conditions or the need for training or retraining.
12. That Article 9, Clause 15 be amended to give effect to the following: Inspectors shall qualify every two years by written examination.
13. That Article 17 - Vacations be amended to give effect to the following: In the second year of the Agreement, vacation entitlement will be increased to provide 4 weeks vacation after 12 years and 5 weeks after 25 years.
14. That Article 24 - Transportation remain unchanged and that present arrangements with respect to vacation pass privileges continue.
15. That no changes be made in present policies with respect to vacation splitting and vacation ratios.
16. That the request for a letter of understanding concerning minimum supervision at Line Stations not be granted.
17. That the parties implement what the Board understands to be an agreement with respect to a Learner Training Programme, with a commencement date of January 1st, 1970.
18. That the parties implement provisions that the Board is advised have been agreed to concerning C. P. E. M. A. Premiums, namely, that an employee on leave of absence due to injury or sickness will have his premiums paid by the Company for a maximum of ninety (90) days.
19. Inclement Weather Apparel and Related Items: The Board is advised that the parties have agreed on this item with two exceptions. With respect to these two items the Board recommends that Letter of Understanding No. 6 be amended to provide that: Annual audio tests will be established for all employees at all bases when required by job conditions; Adequate first-aid coverage will be maintained at all bases.
20. That no changes be made in provisions with respect to the Long Term Disability Programme.
21. That present provisions with respect to Shift Premiums be amended to provide an additional shift differential of \$.02 per hour during the first fourteen months of the new Agreement and a further \$.03 per hour for the balance of the new Agreement.
22. Letter of Preference System for Job Bidding: The Board is advised that the parties have reached a settlement on this item by agreeing to the provisions set-out in Exhibit No. 3 of the Company's submission to the Board, amended as follows: delete Clause 4 of the proposal; in Clause 19, delete "In filing a Letter of Preference" and substitute "In filing a letter in accordance with Clause 18"; in Clause 21, delete "Letters of Preference" and substitute "Letters".
23. That no change be made in present coverage and premiums under the Group Life Insurance programme.
24. That the Company amend its present policy with respect to parking by providing free parking at its new Vancouver Maintenance Base.
25. That no changes be made in present Pension Plan provisions.
26. The Board is advised that the parties have agreed on the matter of Chief Shop Steward's shift.
27. That the parties sign a letter of understanding with respect to automation and technological change as follows:

The parties agree to establish a Joint Study Committee to examine the potential impact of automation, technological change and merger on employees in the bargaining unit. The purpose of the Committee is to develop a plan specifically designed to meet problems of relocation, retraining and redundancy that may arise from such causes. The parties further agree that the Committee will be struck within three (3) months of the signing of Agreement No. 18 to develop a suitable plan to be included in the next collective agreement between the parties. In the event that any employee in the bargaining unit is displaced by automation, technological change or merger during the term of Agreement No. 18, failing adequate measures for his relocation or retraining, he will be entitled to severance pay at the rate of one month's salary for each completed year of service.
28. That the following rate adjustments be made in Article 6 - Minimum Monthly Rates of Pay: Air Engineer 2 (Inspectors) to be paid at a rate of \$805.98 per month, an increase of \$19.00 per month; Helpers to be increased by \$25.00 per month over the present scale; Lead Cleaner 1 rate - \$470.56 per month; Lead Cleaner 2 rate - \$511.04 per month; Building Maintenance Mechanics to be paid at the aircraft mechanics rate, provided they have journeyman qualifications or equivalent licences; Unlicensed Shop Inspectors - \$737.58 per month, Licensed Shop Inspectors - \$752.58 per month, (Subject to Company declaring when and where these classifications will be established).
29. It is recommended that the parties sign a letter of understanding as follows:

"During recent negotiations it was agreed that the meaning, intent and application of Clause 4 of Article 3 (Hours of Service) is in accordance with the following.

Both the Company and the Union recognize that the principle of rotation of shifts is equitable. In this regard however it is clear that it is not always possible to rotate all employees equally through all shifts. What is possible is that each employee could be rotated individually through the cycle rather than by crew. On this basis each employee by trade classification or work group would take an equal turn on each shift.

In addition both parties recognize that at certain work locations, some shifts are affected by aircraft schedules and such shifts will be established in accordance with the needs of that work location. In such cases there will be no more than six shifts

(within a 24-hour period) each with a single starting time for any classification of employees."

30. With respect to overtime it is recommended that clauses 6, 8 and 9 of Article 5 be deleted and the following be added to the Agreement:

1. Subject to the following conditions, overtime worked according to the following time schedule shall be credited on a time and one-half basis:

1 minute through 5 minutes	no record credit
6 minute through 17 minutes	.2 hours bonus credit
18 minutes through 25 minutes	.4 hours bonus credit
26 minutes through 34 minutes	.5 hours bonus credit
35 minutes through 41 minutes	.6 hours bonus credit
42 minutes through 53 minutes	.8 hours bonus credit
54 minutes through 60 minutes	1.0 hours bonus credit

(a) An employee who is required to report for work on one of his regularly scheduled days off shall be credited on a double time basis for those hours worked in excess of the regularly scheduled hours of the shift.

(b) An employee who is required to report for work on any two or more days of a group of regularly scheduled consecutive days off shall be credited at double time for all hours worked on the second and subsequent of such days.

(c) An employee who is required to report for work on a statutory holiday will be credited on a double time basis for all hours worked in excess of the regularly scheduled hours for the shift.

(d) An employee who is required to work more than twelve (12) hours in a working day shall be credited on a double time basis for all hours worked in excess of twelve (12).

(e) Overtime credits shall not be pyramided, and the maximum overtime credit under any circumstances shall be double time.

(f) Minimum callout be increased from the present two (2) hours and forty (40) minutes to four (4) hours at the applicable overtime rate.

31. It is further recommended that Clause 11 of Article 3 be deleted and the same percentage referred to in item 30 hereof be substituted therefor.

32. Planning Clerks. It is recommended that the four Production Runners included in this category be transferred to the Stores Department as "Storemen first six months" effective August 1, 1969. It is recommended that the wage rates for the balance of the planning clerks before the general wage increase be on the following basis:

Clerk 1 - 6 mos.	\$314.00
2 - 6 mos.	345.00
3 - 6 mos.	372.00
4 - 6 mos.	408.00
5 - 6 mos.	444.00
7 - 6 mos.	480.00
Clerk (Posting) Grade 1	520.00
Grade 2	556.00

34. General Wage Increase. It is recommended that a general wage increase be made to all wage classifications

as follows:

(a) Effective March 1, 1969 - 9%;

(b) Effective May 1, 1970 - 7%;

(c) An additional \$5.00 per month be added to the top rates in all classifications effective March 1, 1969 after the general wage increase;

(d) A further \$5.00 per month be added to the top rates in all classifications effective May 1, 1970 after the general wage increase;

(e) Longevity pay of 4¢ per hour to all employees with 12 or more years of service be paid effective May 1, 1970.

35. For the simplification of accounting procedures, changes in shift differential and overtime payment will be effective July 1, 1969.

36. That the effective date of the Agreement be from March 1, 1969 to February 28, 1971.

Vancouver, B.C., June 26, 1969.

(Sgd.) Noel Hall,  
Chairman

John A. Bourne,  
Member

#### Report of Mr. Rankin

During the course of negotiations and of the hearing a great deal of evidence and argument was presented showing the economic position of the Company and the relative wage rates between the Company employees and the categories of employees in other industries.

We were also presented with indexes and evidences of the productivity of the maintenance personnel and employees whose wage rates and other benefits are under consideration.

The Company has, as one can imagine, set forth in great detail the arguments that they were not in a position to pay the wage increases indicated by the Union. The main thrust of the Company, as one can well understand, was that a smaller company like C.P.A. being in parity between Air Canada would be a very difficult concept to agree to because the Company itself was not in a position to compete on the same level with Air Canada, which constitutes the main airline in Canada.

The Union has set out in argument asking for 24 per cent increase in wages. The main issue in this whole dispute is the question of wage increases and it seems to me that when discussing the question of wage increases one must discuss it in relationship to the question of Air Canada, which seems to be the closest parallel that we have in Canada as far as the Union is concerned.

The Union says that the 24 per cent wage increase in the contract would bring them up to parity with Air Canada, having regard to the fact that Air Canada went from the 40-hour week to the 37½-hour week. The Union, during the course of their arguments, filed a very comprehensive brief covering all aspects of the economic programme which they



have asked for from the Company and on page 35 of their brief they set out their need for 24 per cent wage increase over a two year contract and backed it up by substantial figures showing the cost of living and inflationary trend here in Canada. Pointing out, of course, that the need for the highest wage scale here in British Columbia which corresponds with the highest cost of living, that is the bulk of their personnel are based in Vancouver, British Columbia or in the Lower Mainland, this becomes a very real problem indeed.

The Union presents the proposition that Air Canada machinists have concluded an agreement which would give them a 19.1 per cent increase for mechanics and a 20.5 per cent increase for labour in their new agreement. They also point out in their brief that Air Canada has gone from a 40-hour week to a 37½-hour week which, according to the Union, would be worth another 2 per cent, bringing the formula to between 21.1 per cent and 22.5 per cent. The Union also shows in their brief that, even with these kind of increases, income tax deductions and the cost of living have wiped out all the gains they received in their last contract. They show that income tax deductions have increased tremendously over the last number of years and the Company counters with the fact that they are going into a different wage level, which in fact increases the amount of income tax that they have to pay.

While one can agree with this latter conclusion of the Company, one still has to arrive at the fact that what is needed in the age of inflation is that the take-home pay increase substantially each year in order that the worker can keep up with inflation. It is small consolation to a man to say that he is now making, let us say, \$7,000 instead of \$6,000 gross, but in fact when he brings the packet home to his wife and family, it is less than the year before. So, obviously, any increase in wages must take into consideration the fact that a man goes into a new category of taxation.

To substantiate this proposition, I want to quote a paragraph from the Company's brief. In the Conciliation Board of two years ago, Mr. George W. Rogers recommended as follows: "In my opinion, the Union presented an excellent case for wage parity with Air Canada and I certainly agree that earnings should be comparable. I recommend that, effective March 1, 1967, the C.P.A. rate for a specific classification be substantially the same as that established for the same classification in Air Canada as of November 1, 1966 and that parties work out their own combination of percentages and dates for subsequent increases rather than following Air Canada to the identical date and amount."

Although the Union and the Company disagree as to the increase recently arrived at by Air Canada in their settlement, the Company coming to the conclusion that it was something closer to 16.62 per cent and the Union saying that the settlement was something in the area of 20 per cent, I conclude that the wage increase for the Union should be 20 per cent to bring it to parity with Air Canada on the straight wage increases given by Air Canada, and an additional 2 per cent because of the drop in hours from 40 to 37½ hours by Air Canada, making a total of 22 per cent. That the first increase should be made March 1, 1969 for 12 months of 11 per cent that the second increase should be for March 1, 1970 for another 11 per cent for a 24-month contract.

I believe this to be the first main and central issue in the negotiations between the Company and the Union.

Turning to the second main proposal urged between the Company and the Union, let me set out the situation as briefly as I can. The Company, in their general reply to the

brief of the Union, set forward generally that they thought that they should have the same scheduling set-up as Air Canada. Briefly, this means the ability to bring shifts in, or parts of shifts, at any time within the 24 hours necessary for the maintenance of their aircraft. The Union's position was that shift scheduling should remain exactly the same as it was in the previous contracts, which basically means three shifts a day. The Company's argument that there is no flexibility in this kind of proposal just does not bear up under any close scrutiny. The real argument for changing shift schedulings from the former Canadian Pacific Air Lines schedules to that of Air Canada did not arise until after all the evidence was heard by the parties and until the Chairman and the remainder of the Board got together to discuss this particular question. At that time, a great deal of emphasis was placed on the fact that, if the Company did not get shift scheduling similar to that of Air Canada, they would not be able to carry on their maintenance work adequately and that they would lose money because of not being able to get planes into the air on time, etc. and that it would cost them much more than Air Canada to complete their overhauls and their line servicing. As a matter of fact, it seems to me that it was in this area the real basic problem of the Union-Company differences came to the fore.

In my opinion, no such evidence was submitted by the Company. As a matter of fact, Article 3 of the current agreement reads as follows:

3. Starting and stopping times for employees shall be arranged between the Company and the representative of the Union to suit local conditions and shall be posted at the base concerned. At main bases (Vancouver and Montreal) same shall not be changed without at least three calendar days' notice.
4. In crews or shops which are regularly working shifts, all employees in such crews or shops shall take an equal and regular turn on shifts, except as otherwise mutually agreed. All shifts shall be on a two week swing basis, except as otherwise provided by mutual agreement between the Company and Assistant General Chairman of the Union or his representatives."

Clause 5 simply deals with shift differentials. Eight hours' pay per shift, eight hours' work. Second shift, seven and a half hours' work. Third shift, seven hours' work.

6. No employee shall be required to transfer from one shift to another without a minimum of three calendar days' notice and in emergency cases, with not less than 24 hours' notice from the time of commencement of such re-assigned shift and such re-assigned shifts shall extend for less than two shifts, otherwise overtime rates shall apply."

In my opinion, these articles, and with several less relevant articles of the Union agreement, the Company has all of the flexibility necessary to carry on an extremely efficient operation, as far as the maintenance of their aircraft is concerned. The union submitted ample evidence that the cost of maintenance on Canadian Pacific Air Lines planes is less and certainly no greater than those of Air Canada. The Company itself, by not submitting any material in the terms of its original presentation obviously looks to this as an afterthought, in terms of the Board hearing of their complaints. In my submission, something so fundamental as a changing of shifts at the whim of the Company is not something that can be considered on this basis.

In looking over the evidence of the Company at this point, it is clear that if the Company was in any trouble as far as shift scheduling is concerned, they have only had one grievance on the subject which has gone as far as the third stage, as I understand it, to the President of the Company in the past two years of this contract. I would suggest that this is rather a good record in that area as far as the complexities of the repair and maintenance of aircraft is concerned.

After all evidence was heard, the Company, through its nominee, Mr. Bourne, produced a letter of understanding. I think it is important that the contents of this letter be set out:

"During recent negotiations, it was agreed that the meaning, intent and application of Clause 4 of Article 3 (Hours of Service) is in accordance with the following: Both the Company and the Union recognize that the principle of rotation of shifts is equitable. In this regard, however, it is clear that it is not always possible to rotate all employees equally through all shifts. What is possible, is that each employee could be rotated individually through the cycle rather than by crew. On this basis, each employee, by trade classification or work group, would take an equal turn on each shift.

"In addition both parties recognize that at certain work locations some shifts are affected by aircraft schedules and such shifts shall be established in accordance with the need of that work location. In each case, there will be no more than six shifts each with a single starting time within a 24 hour period for any classification of employees."

Needless to say, this was not put in by the Company during the three continuous days of hearing but later on the Company's nominee, after all of the evidence was adduced, pressed for this to be included. This of course makes it rather difficult to place all the arguments against the scheduling but I, at the same time, have to take the position that it is a very unlikely possibility of worsening conditions of hours of work for workers unless there is a clear indication that the Company cannot operate under the present conditions.

I consider that, next to wages itself, and perhaps as important as wages itself, is the right of a man to know when he is going to be called into work. I believe that it is bad enough on a man's health to work on a three-shift basis without having his work conditions further cut and to be called in at any time the Company so desires. I could, as a lawyer, probably operate a more efficient office if I could use the typewriters 24 hours a day. There is no one in business who could not increase the efficiency of their operation by continuous 24 hour programme, they could use less space, they could use their machinery more efficiently, many things could happen. But, in terms of workers' health, we have found over the years that at least some regularity of employment is a necessity of life, just as the question of decent wages is. I believe that, under the circumstances, there is no basis whatsoever for increasing the flexibility, (so-called), of shift work in the present situation and I recommend that the status quo on shift scheduling be maintained.

On the question of group life insurance, I would recommend that double the annual wage to a maximum of \$20,000, the Company to pay the full premium, as Air Canada. In other words, this would bring the conditions of the Company

to the same standard as that of Air Canada in this particular area.

On long-term disability, I recommend \$1.26 for each \$100 of every monthly salary, to be shared on a 50-50 basis between the Union and the Company. This would be the same rate as now supplied between the Company and management personnel, which is based on \$1.26 per \$100 of basic salary. In Air Canada, I believe it to be \$1.50, 50 per cent paid by the company and 50 per cent paid by the union. However, I believe that the recommendation that I have made is a reasonable compromise between those particular areas.

Coming to the question of pensions for ineligible employees, because of certain conditions under the pension plan those who were hired after the age of 40 were ineligible for participation in the Company plan. Under the C.P.A. plan, if hired after the age of 55. As a result 30 employees presently are not covered by pension. Under these circumstances, a man may work for 25 years and receive no pension whatsoever. The Union has supplied certain evidence of other pension plans in which people not covered by pension were allowed \$5 per month per year of service in lieu of not being able to come under the pension plan itself. I would recommend that for these 30 personnel this plan be implemented.

Turning to the question of planning clerks, much evidence was called in connection with this particular category. This group had a starting salary (Clerk 1) in the first six months of \$275 per month. This was a group which has been newly brought into the union and consequently their wage scale is below that of the other people who have been members of the union for some considerable period of time. This is understandable and, when one attempts to bring their wages up to parity with commensurate jobs or even the lower classifications of union salaries, one finds that their increases could be in the neighbourhood of 35 per cent. This increase apparently shocks the Company considerably and obviously a great deal of time was expended in exploring the type of work the planning clerks were doing and what would in fact be a proper scale for these people to start at.

After going over the material in connection with this matter, I have come to the conclusion that the Union's submission dealing with a category of learner scales be adopted and I will list them for clarity as follows: first six months - \$347.68; second six months - \$366.90; third six months - \$395.64; fourth six months - \$414.81; fifth six months - \$443.40; sixth six months - \$472.30; seventh six months - \$501.48; eighth six months - \$531.10.

The Union's submission on this matter is supported by categories from the Pacific Press, the B.C. Telephone, the City of Vancouver, and the B.C. Hydro. While it is very difficult to compare the types of work, I felt that the Union had supplied considerable evidence that these people were in a grossly underpaid position at the present time and that there had to be substantial increases in salaries to effectively bring them up to Union standards and conditions. Lest one thinks that this is a large increase, it refers to approximately 20 people, in my understanding, and would be a nominal sum indeed to be paid by Company. Obviously, also there is some incentive to use these people in a more efficient way where salary scales are implemented in a general line with other industries such as I have noted above.

I would also recommend that two bid positions at plus \$35 and plus \$70 be applied to the above scale.



I believe that there was substantial agreement between the Company and the Union on this particular proposal, at least when we had finished our deliberations. One can only understand from this clause a desire on the part of the Union to be an integral part of the safety programme which is so necessary in travel. I am convinced that the implementation of this clause would work to the best interest of the Company in terms of the operation that they are conducting at the present time.

It seems to me that this covers the major areas of difference between members of the Board and I would now like to outline, briefly, the areas of agreement, which are considerable.

Dealing with the item of free parking, I recommend that because of the parking times and locations of C.P.A. operations, with difficulty of transportation in any other way except by automobile, an employee should not be further penalized by having to pay for a parking site at the place of his employment. Under present circumstances, it is impossible for an employee to get to work in any other way except by automobile. The present shift arrangements make starting times at a time when no transportation other than automobile is possible and I recommend that free parking be supplied for all employees.

On the question of overtime, I believe that all overtime in excess of two hours should be at double time. The first two hours overtime to be at time-and-a-half and that minimum call-out for overtime be four hours at overtime rates. I believe there is ample reason to place these premiums on overtime. I think that in the public interest overtime should be cut to the absolute minimum and that wherever necessary people should be kept to the workweek which has been set in that particular industry, both from the necessity of supplying jobs for other people, and for the health of the workers concerned. I believe that the Company must have some flexibility in this area, because of emergencies that do arise in the kind of industry we are dealing with. I think it only fair that flexibility be given to the Company and I believe that the minimum four hour call-out, plus the overtime rates that I have set out, amply cover that situation for the Company.

The Union presented considerable evidence on the question of air safety and felt that a clause should be placed in the contract spelling out the question of safety. The Union cited many cases of problems which arise in air safety and one can well understand the real problems which can arise in the kind of industry that we are talking about here. The Company did oppose, rather vigorously, having such a clause in the Union contract but I think the overwhelming evidence supports the need for such a clause to be in the Union contract. The Union's clause was: "It is in the mutual interest of the Company and the employees to provide for the operation of the services of the Company under methods which will further to the fullest extent possible the safety of air transportation. It is recognized by this agreement to be the duty of the Company and the employees to co-operate fully, both individually and collectively, for the advancement of that purpose."

Early in the argument, I was not aware that this clause came out of the Air Canada agreement and I propose that this clause, which is not the full Air Canada clause, be amplified to the full terms of the Air Canada clause, which I understand includes the words: "the efficiency and economy of operation." If there are other words that are needed to amplify this clause, my recommendation at this point is that this clause be similar in nature to that of Air Canada.

The Union wanted a clause on sub-contracting and it was finally agreed that no changes be made to the agreement in this respect. Therefore the terms would remain the same as I would consider the Chairman's report covers.

I go now to the question of non-consecutive days off where the Union and the Company have come into substantial agreement on this particular proposal.

Reduction of hours of work of line Engineers: the Union made certain proposals on this particular matter but substantial agreement again was effected as between the Union and the Company that this particular area remain the same.

On the question of one additional general holiday, the Union accepts the proposal that there be the one additional holiday, that it be a floating holiday but as many people as possible be allowed off on Boxing Day. The Union accepts the fact that this is not always possible and has agreed to the compromise as above noted.

Payment of all overtime at double-time rates has already been covered in this brief, and wage employees to be called in on scheduled rest days or general holidays to be paid a minimum of general shift hours at double-time rates. Again, agreement has been reached between the Union and the Company on this point.

Air Engineer 2 is a classification on which agreement has been reached, a raise from \$768.72 to \$805.98. It was agreed between the Union and the Company that this be implemented.

Under the helper category, substantial agreement was made in this particular area, the Company wanting a \$21 increase from April 29th, 1969 and the Union \$31. The compromise at this level was \$26.

The position of Lead Cleaner was agreed upon between the parties and there is substantial agreement in this area, Lead Cleaner 2 being \$511.04 and Lead Cleaner 1 rate being \$470.56.

Agreement was reached between the parties on building maintenance mechanics and substantially the same with shop inspectors with a rate of \$737.58 for unlicensed shop inspectors and \$752.58 for licensed shop inspectors.

Planning Clerks was a very contentious area and I have outlined previously the question of the increases which I felt necessary in this particular grouping.

The next item discussed between the Union and the Company was the question of maintenance of pay while an employee was absent from work due to compensable injury or because he was required to serve on a jury. While I think there is a very valid area for discussion, and I believe that jury duty should be paid for adequately, that is, based on at least the rate of pay that a man receives at his work, I believe this is a matter for the state rather than the Company to be required to fulfill. Consequently, I make no recommendation in this area.

As to Compensation, the differential is great but I feel in this particular area there may be some valid reason for something less than full pay to be maintained between that of the workman's wage and what he would receive on Compensation. He has one advantage in that the Compensation is not taxed, as I understand it, in the same way as his wages are, so there is that one advantage to be gained. I believe that if there is a differential as between wages and Compensation, the differential should be much lower than it is at the present time. Again, I believe this is a matter that probably lies within the jurisdiction of the Compensation Board rather than that of the Company itself.

The next item we dealt with was the question of mechanics' progression. At the present time, a mechanic

takes six years to go to his full scale within the scale standards. It seems to me that three years is ample and there is substantial agreement between the parties concerned, that is, the union and the Company, that the six-year progression be reduced to three years for mechanics. This seems to be a fair, sensible arrangement between the parties.

On the qualifications of mechanics, the Union has some reservations in this area and says the Company has been using mechanics to perform work that was within the Air Engineers classification. I believe that this is an area that can certainly be worked out between the Union and the Company and I would recommend no change in this particular area at the present time.

Radio, electrical and store classifications to be represented on each shift at the Vancouver and Montreal bases: it seems that substantial agreement has been arrived at this particular level and the Union is not pressing this particular demand.

Management personnel performing work that is within the scope of the agreement: there has been some areas where the Union feels that management has encroached but, by and large, this has been agreed upon between Union and management.

Examinations for Inspectors: substantial agreement between the Union and the Company has been arrived at.

Annual vacations have been agreed upon reluctantly by the Union, who wanted splitting of vacations. The Company felt this interfered with their work considerably and this matter has been resolved.

On the pass policy, the Company and the Union have not agreed in this particular area. I believe that something should be worked out here but it is not one of those areas where I am prepared to recommend the Union's position and would agree that the matter should stay as it is.

On the Learner Training Program an area of agreement has been reached.

In the area of C.P.E.M.A. premiums, again an area of agreement has been reached between the Union and the Company.

Most of these matters are amplified in the Chairman's report and I have been brief in this aspect because the disagreement areas have been covered in greater detail.

Inclement-weather apparel has been agreed between the Union and the Company.

Long-term Disability Program: again, agreement has been reached in this particular area between the Union and the Company.

Shift differentials have been agreed upon substantially between the Union and the Company.

The Letter of Preference, is, by agreement with the Company, to be obliterated and the bid system re-instituted and there is substantial agreement in this area.

I have covered the question of Group Life Insurance earlier and also the question of free parking for all employees.

The Pension Plan I discussed in my earlier report and, because it is one of the areas of controversy between the parties, discussed in some detail.

Chief shop stewards' shifts have been agreed substantially between the parties.

In Technological Changes, the parties worked out the following agreement at the time of our negotiations and the members of the Board accepted the Chairman's proposals, as follows:

"The parties agree to establish a joint study committee to examine the potential impact of automation, technological change and merger on employees in the bargaining unit. The purpose of the committee is to develop a plan specifically designed to meet the problems of re-location, retraining and redundancy that may arise from such causes. The parties further agree that the joint study committee will be instructed within three months of the signing of this Agreement, No. 18, to develop a suitable plan for inclusion in the next collective agreement between the parties.

"In the event that any employee in the bargaining unit is displaced by automation, technological change or merger during the term of this Agreement, failing adequate measures for his relocation or retraining, he will be entitled to severance pay at the rate of one month's salary for each completed year of service."

This statement of principle is suitable to the Union and the Company, as I understand it.

Shift rotation and starting times have been discussed in the earlier report and are main bases of difference between the parties. The length of workweek follows from the shift rotation area and is also a matter of discussion in the earlier report.

Retroactivity: there is some suggestion that the Union delayed and the Union says, of course, that the Company delayed and the answer is that's the history of negotiations. I think it was substantially agreed between the parties that all negotiations be implemented from the date of the old agreement and that the new contract be signed as of the date of the old agreement.

(Sgd.) Harry Rankin,  
Member



Report of Board of Conciliation established to deal with dispute between

Quebec North Shore and Labrador Railway Company  
and  
Brotherhood of Maintenance of Way Employees

The Board was under the Chairmanship of Judge Paul A. Pélouquin, Court of the Sessions of Peace, Sorel, Quebec. He was appointed by the Minister of Labour on the joint recommendation of the other two members of the Board, Paul F. Renault, Q.C., and Jacques Chaloult, both of Montreal, who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister during July.

Following the hearings where the parties indicated their positions, the Conciliation and Inquiry Board unanimously recommends to the parties to grant the same wage increases or other marginal benefits, including the pension plan, as the Iron Ore will grant its locals of the United Steelworkers of America and as the Quebec North Shore & Labrador Railway will be granting the International Association of Machinists.

June 30, 1969

(Sgd.) Paul-A. Pélouquin,  
Chairman

Jacques Chaloult,  
Member

Paul-F. Renault,  
Member

Reasons for Judgment in Application for Certification affecting

International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America	(Applicant)
and	
Tudhope Cartage Limited,	(Respondent)
and	
Bruce Epps et al	(Interveners)

The Board consisted of A.H. Brown, Chairman, and Messrs. E.R. Complin, J.A. D'Aoust, K. Hallsworth, A.J. Hills and Gérard Picard, members. The Judgment of the Board was delivered by the Chairman.

The Applicant applied to the Board under date of January 27, 1969, to be certified as bargaining agent for a unit of employees of the Respondent.

An intervention was filed by the Intervener, Epps, on behalf of himself and 19 other fellow employees of the Respondent expressing opposition to the application for certification. The Respondent filed a reply opposing the application on the ground that the unit of employees for which the Applicant sought certification was inappropriate for collective bargaining.

A hearing on the application was held by the Board on May 5, 1969, at which all parties were represented by counsel and gave evidence. Following upon the hearing the Board ordered a vote by secret ballot of the employees of the Respondent in the bargaining unit which the Board found appropriate for collective bargaining in order to determine the wishes of the said employees as to the selection of the Applicant as their bargaining agent.

The result of this vote which was taken on May 20, 1969, under the direction of the Chief Executive Officer of the Board was as follows: All eligible voters, 24 in number, cast their ballots. Of these, 7 voted "Yes", 16 voted "No",

and one marked his ballot "X" in the "No" box rather than the voting space.

The scrutineers appointed to represent the Applicant and the Respondent at the voting places both certified following the completion of the vote and before the counting of the ballots, that the vote had been conducted in a fair and proper manner.

Following upon the result of the said vote, the Applicant made a further application to the Board pursuant to Section 61(2) of the Industrial Relations and Disputes Investigation Act to reconsider its order for the taking of the aforesaid representation vote and to certify the Applicant as the bargaining agent of the employees of the Respondent in the unit which the Board had found appropriate for collective bargaining upon the basis of the finding of the Board's Investigating Officer that at the date of the Applicant's initial application to the Board for certification, namely January 27, 1969, a majority of employees in the said unit were members in good standing of the Applicant.

The Applicant submits this request for reconsideration and certification upon the basis of new evidence which it

alleges has come to its attention since the hearing, namely, (a) as to alleged inaccuracies in the evidence given by the Intervener, Epps, at the hearing, to the effect that he and 6 other employees of the Respondent had agreed to share the costs involved in the payment of the fees of the Counsel for the Interveners in connection with the hearing, and (b) that on the basis of information coming to the attention of the Applicant, the Counsel for the Interveners had an interest or connection with the Respondent that should have been brought to the attention of the Board by him at the hearing.

The Respondent opposes the request for reconsideration on the grounds that the vote was ordered by the Board to determine the true wishes of the employees in the bargaining unit on the matter of representation, that the vote taken under the direction of the Board removed any and all types of coercion direct or indirect upon the employees and permitted them to express their true wishes in the matter and that none of the Applicant's allegations in support of the request for reconsideration relates to the vote, its conduct or the result thereof.

Counsel for the Interveners in his reply filed with the Board categorically denies the allegations of the Applicant that he had an interest or connection with the Respondent at the time of or prior to the hearing. He further submits that the vote was fairly taken and the result beyond any room for doubt.

The Board's primary responsibility in the disposition of this application after determining the appropriateness of the bargaining unit was to determine the wishes of the employees therein as to the selection of the Applicant as their bargaining agent. Upon the basis of the evidence before the Board at the hearing, the Board decided in the exercise of the discretion vested in it under the Industrial Relations and Disputes Investigation Act that a vote by secret ballot of the employees in the bargaining unit should be taken to ascertain their wishes as to the selection of the Applicant as their bargaining agent. The result of the vote was the rejection of the Applicant as bargaining agent by a decisive majority of the employees in the bargaining unit. In the view of the Board it would serve no purpose to speculate at this time as to what weight might have been

accorded by the Board to evidence adduced at the hearing supporting the Applicant's present allegations had such evidence been available at that time. The vote was ordered and was properly conducted.

The Board has on occasion refused to accept the result of a representation vote ordered by it, where there has been evidence of coercion or intimidation of employees undertaken by or on behalf of one of the interested parties in the period following upon a hearing on the application or the ordering of a representation vote of such nature and extent as in the opinion of the Board made the results of that vote or indeed of any further vote in the immediate future valueless to determine the true wishes of the employees as to the selection of the bargaining agent. In these circumstances the Board has found it necessary consequently to refer back to the initial evidence of membership in good standing at the date of the application in determining the wishes of the employees.

However in the present case there are no allegations before the Board of acts constituting coercion or attempted coercion or intimidation of employees in the bargaining unit by or on behalf of the Respondent or the Interveners having occurred subsequent to the hearing or the ordering of the vote put forward in support of the Applicant's application for reconsideration and certification. The Board would not be warranted in overriding the wishes of the majority of employees to reject the Applicant as their bargaining agent in the unit as expressed by the result of the vote on the grounds put forward by the Applicant in support of its request for reconsideration.

The Board rejects the application for certification accordingly because it does not have the support of the majority of employees of the Respondent in the bargaining unit which the Board has found to be appropriate for collective bargaining.

Dated at Ottawa, July 8, 1969.

A.H. Brown  
Chairman for the Board









# CONCILIATION BOARD REPORTS together with CLRB REASONS FOR JUDGMENT

No 6, 1969

## **Conciliation Board Reports in disputes between:**

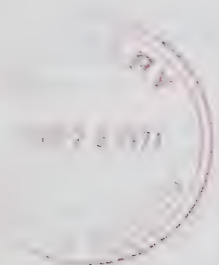
H.W. Bacon Limited, Toronto, and Warehousemen and Miscellaneous Drivers, Local Union 419.

Baton Broadcasting Limited – CFTO-TV, Agincourt, Ont. and National Association of Broadcast Employees and Technicians.

## **Reasons for Judgment in applications affecting:**

Labourers' International Union of North America (Applicant No. One), United Steelworkers of America (Applicant No. Two), and Agnew Lake Mines Limited (Respondent)

Canadian Marine Officers' Union (Applicant) and Agence Maritime Inc. (Respondent)



CANADA DEPARTMENT OF LABOUR

Hon. Bryce Mackasey, Minister

J.D. Love, Deputy Minister





Report of Board of Conciliation and Investigation established to deal with dispute between:

H. W. Bacon Limited, Toronto

and

Warehousemen and Miscellaneous Drivers Local Union 419

The Board of Conciliation and Investigation was under the Chairmanship of J. B. Metzler, Q.C., of Downsview, Ontario. He was appointed by the Minister of Labour on the joint recommendation of the other two members of the Board, David Churchill-Smith of Toronto and William Walsh of Hamilton, who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister during July.

Hearings were held at Toronto, May 5 and 30, 1969.

The undersigned submit this report in discharge of the duties cast upon the Board of Conciliation established to deal with a dispute involving the above mentioned parties over the terms of new or revised collective agreement.

The company has a contract with the postal authorities to pick up mail from street letter boxes, to handle parcel post and to make bulk deliveries of mail in the City of Toronto and Downsview. Willowdale was added to the contract on June 1, 1969. The contract, as it existed prior to June 1, 1967, terminates on March 31, 1970.

There are, at present, 280 employees in the bargaining unit consisting of 230 drivers, 20 mechanics and 30 part-time employees. The company operates a fleet of 250 trucks in connection with the pick-up and distribution of mail.

The collective bargaining relationship between the company and the union goes back to 1959. The last collective agreement expired on December 31, 1968.

The issues referred to this Board were as follows:

1. Wages
2. Hours of Work
3. Statutory Holiday
4. Welfare Plan
5. Vacations

At some stage in the negotiations the parties had agreed that they were negotiating for a three-year collective agreement expiring on December 31, 1971 and this was not an issue in these proceedings.

By way of general information, it should be noted that the schedule of pick-up of mail on the streets is not fixed by the company but by the postal authorities. It is a seven day operation, all year round. Special arrangements may apply on Christmas and New Year's Day but otherwise the times of clearing street letter boxes remain unchanged.

At the outset of these proceedings, the Board found itself confronted with an issue over the hours of work for regular drivers engaged on street letter box pick-up which coloured the approach of both parties during the negotiations before the Board. In this report we shall have more to say about this matter because the resolution of it is of paramount importance in resolving this dispute.

After the Board had commenced its proceedings, the union and the company outlined their positions on the issues that separated them. The Board then undertook to review the last expired collective agreement with them to ensure that there was agreement between them on the basic framework of a new agreement and that there was no misunderstanding as to the carry-over of sections into such new

agreement and that there were no loose ends as to its contents. In a number of instances, while agreed on principle, the parties had not formulated language. In one or two cases, both principle and language were in issue. At the close of the hearing on May 5, 1969, the company tendered to the union and the Board revisions covering all of these matters. At the hearing on May 30, all but one of the contract items were settled. This remaining item has to do with Article 14.01 of the last expired collective agreement which concerns the welfare plan for employees. The settlement of the language of this provision depends on the outcome of negotiations on the monetary implications of this item. In any event, it is possible to state that there is available to the parties an acceptable draft of a collective agreement into which the results of a settlement of monetary issues can be slotted.

As stated before, the union raised to this Board an issue over a five-day, 40-hour week for regular drivers on letter box pick-up on the streets. At the present time, these drivers average 36-1/2 hours over a two-week period. The work week consists of four days of eight hours apiece plus weekend work of a Saturday of five hours and a Sunday of four hours. A driver is usually scheduled to work on Saturday and Sunday one week in which case he will be off on Saturday and Sunday the following week. The demand of the union is that these drivers be put on a five-day, 40-hour work week from Monday to Friday.

Apparently, this is not the first time that this matter has been raised in negotiations and, in the past, it has not been an obstacle to the successful conclusion of such negotiations. It is a fair statement to make that the company's position on this matter has not changed. It points out that it has no control over the schedules of mail pick-up because they are set by the postal authorities. Whatever suggestions have been made in this regard, the company could not change these schedules. The union, on May 5, put forward a suggestion on this matter for the company to consider. On resumption of the hearing on May 30, the company reported that it could not accept the union suggestion because the postal authorities were not prepared to agree to the changes having regard to its own immediate needs.

The hours of other drivers are not in issue. Their daily and weekly hours are scheduled at various times during the day and have been set to meet the needs of pick-up and delivery of parcel post and bulk mail.

There was some discussion about the hours of mechanics but no issue was raised. It is a fact that they have not been working scheduled hours as required by the collective agreement which expired on December 31, 1968. They, or part of them, work five hours on Saturday as part of their

regular work week. This has been by arrangement between the company and the men. There is no doubt but that the arrangement was made because the company must have its trucks in good working order at the start of the following week.

The monetary issues that confront the parties are as follows:

1. Wages
2. Statutory Holidays
3. Welfare Plan
4. Vacations with Pay

Classification	Jan. 1 1969	July 1 1969
Wkg. Supervisor (\$3.20)	\$3.50	\$3.70
Mechanics (\$3.20)	3.50	3.70
Apprentices (\$2.95)	3.25	3.45
Drivers - P.Post (\$2.75)	3.00	3.20
Drivers - S.L.B. (\$2.75)	3.00	3.20
Utility Men (\$2.65)	2.90	3.10

Watchman (\$95)	\$105.	\$111.
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In addition, the company is to give mechanics a monthly allowance of \$5 to offset the cost of hand tools.

Under Article 13.04 of the last expired agreement, employees assigned to regular duties on the night shift receive a night differential of 10 cents an hour on the conditions therein specified.

The union asks that employees working between the hours of 4 p.m. and 12 midnight be paid an off-shift premium of 10 cents an hour and those working between midnight and 8 a.m., 15 cents an hour.

On the hourly-rated classifications, the adjustment requested over a three-year period is \$1.30 an hour for the first three classifications and \$1.25 an hour for the last three.

Clothing allowance; this was not listed as a separate item in the matters submitted to the Board. It is a minor problem that will be adjusted in the final settlement and, since it is a cost factor and is outstanding, it will be as well to record it under wages. The union's original request was for:

4 shirts, 2 pairs of summer pants, 1 tunic,  
1 cap to be provided in May of each year.

2 pairs of winter pants to be provided in  
October of each year.

1 three-quarter length winter jacket to be  
provided in October each two years.

Crest.

The company to pay the cost of cleaning such  
uniforms.

## 2. Statutory Holidays

Amend Article 10.02 of the last expired collective agreement by adding at the end: "In addition to the above,

It is proposed to deal with the positions of the parties on the four items as they were put to the members of this Board. In this regard, the union prepared and submitted to the Board a recapitulation of the respective positions of the company and union on May 5, 1969 and this forms the basis for the following.

## Union's Requests:

### 1. Wages

#### Hourly Rates

	Jan. 1 1970	July 1 1970	Jan. 1 1971	July 1 1971
	\$3.90	\$4.10	\$4.30	\$4.70
	3.90	4.10	4.30	4.50
	3.65	3.85	4.05	4.25
	3.40	3.60	3.80	4.00
	3.40	3.60	3.80	4.00
	3.30	3.50	3.70	3.90

#### Weekly Rate

	\$117.	\$123.	\$129.	\$135.
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the employees will be granted with pay, any holiday that is celebrated by the Postal Service of Canada".

Presently, when an employee is required on a statutory holiday, he is paid one and one-half times his regular rate of pay in addition to his pay for the statutory holiday. The union requests the rate for time worked on the holiday be increased to double time.

### 3. Welfare Plan

Under the present plan, the employer pays \$15 per employee per month toward the cost of the Employee Welfare Plan. The union requests extended coverage and an increase in the employer's contribution to \$25 per month per employee.

### 4. Vacations with Pay

The union proposed some extensive changes in the Vacations-with-Pay Programme in effect under the last expired collective agreement. It will be as well to outline the current programme and the union's proposal.

#### Current Programme

Length of continuous service as at June 30	Length of Vacation	Vacation Pay
One year or over	two weeks	four per cent
Ten years or over	three weeks	six per cent
Seventeen years or over	four weeks	eight per cent

#### Union's request:

(a) Less than one year from start of em- ployment to December 31	four per cent of gross earn- ings paid in following year
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- (b) One year or more      two weeks      four per cent of gross annual earnings
- (c) Five years or more      three weeks      six per cent of gross annual earnings
- (d) Ten years or more      four weeks      eight per cent of gross annual earnings
- (e) Fifteen years or more      five weeks      ten per cent of gross annual earnings
- (g) An employee 60 years of age or over and who has been in the employment of the Company for a period of 25 years or more will receive 13 weeks' vacation with pay computed at his regular straight rate of pay for each week of vacation entitlement. Such vacations to be arranged by mutual agreement between the employee and the Company.

### The Company's Position

Based on maintaining the present schedules of hours of work, the company during the course of negotiations, made a package offer to settle the remaining issues, as follows:

#### 1. Wages

To all classifications:

Jan. 1 1969	Sept. 1 1969	May 1 1970	Jan. 1 1971	Sept. 1 1971
15¢	10¢	15¢	10¢	15¢

an hour, for a total of 65¢ an hour for a three-year contract.

Refused the request for a tool allowance.

Refused the request for changes in off-shift premium.

Offered to provide two additional shirts on clothing allowance in addition to the present allowance, as follows:

to each driver, one uniform per year consisting of 2 pairs of trousers, 1 tunic, 1 cap (to be issued in May); a three-quarter length jacket once every two years (to be issued in October) but no other change.

#### 2. Statutory Holidays

Refused request for changes in present provision.

#### 3. Welfare Plan

The company offered an increase in its contribution to the Welfare Plan from \$15 to \$18 per employee per month whatever the coverage may be.

#### 4. Vacations with Pay

The company refused the extensive changes in vacations proposed by the Union but offered to reduce the qualifying period for three weeks' vacation from 10 to 8 years.

The company's offer was refused by the Bargaining Committee. It was made known to the Board that the offer was reported to the union membership but no formal action was taken on it.

### The Board's Summation of the Dispute

The Board is satisfied that as long as the question of hours of work for letter post box pick-up drivers is on the table, the bargaining between the parties will not be mean-

ingful. It must be accepted that the pick-up and delivery schedules of all drivers are established by the postal authorities and the company must meet these schedules if it wishes to retain its contract. Equally, a driver on the letter box pick-up knows that he must work on Saturday or Sunday for part of the day as a condition of employment.

The union was candid in saying that if the monetary issues could be settled on the basis of a package deal, this would resolve all problems. From the standpoint of the company, it was made quite clear that it would go no further on the monetary issues as long as such negotiations were tied to the hours of work problem.

In the course of negotiations before this Board it became clear that some accommodation was available on both sides. However, it is equally manifest that this will be the last step in the negotiations and for this Board to recommend on the monetary issues under the existing conditions would not serve to obtain a settlement.

### Recommendations

1. That the union drop the issue of hours of work for drivers on letter box pick-up.
2. That the parties return to bargaining as quickly as possible with a view to resolving the issues that separate them.

Toronto, June 14, 1969.

(Sgd.) J.B. Metzler  
Chairman

(Sgd.) D. Churchill-Smith  
Member

(Sgd.) Wm. Walsh  
Member

### Addendum

by  
William Walsh

In occurring with the Chairman's summation of the dispute and the two recommendations, I am impelled to make the following observation.

The employees have had a long-standing demand for changes in hours of work as outlined in the report, but have been frustrated, they were told, as a result of the requirements of schedules insisted upon by the Post Office.

Such Post Office requirements may not necessarily continue throughout the life of the agreement which it is hoped the parties will reach as a result of their negotiations of the present dispute. It is public knowledge that Post Office operations have been undergoing considerable change. These may well be further changed in such a way as to make possible changes in hours of work along the lines demanded by the employees and the union in this dispute.

It is my recommendation that the signing of an agreement between the parties should not serve to close the door

on changes in hours flowing from effective negotiations whenever such changes are practical as a result of changes in Post Office requirements.

Hamilton, June 14, 1969

(Sgd.) Wm. Walsh  
Member

## FURTHER REPORT

As directed by the Minister, the Chairman reconvened the Board of Conciliation at Toronto on July 3, 1969 for the purpose of making specific recommendations on the issues that remain in dispute.

Full details of the bargaining and other pertinent facts are given in the original report of this Board dated June 14, 1969 and since this report is an extension of that document, it is unnecessary to repeat them.

The following are recommendations of the signatories to this report on the outstanding issues:

### 1. Wages

- (a) That the company grant the undemoted adjustments at the times indicated to all classifications:

Jan. 1 1969	Sept. 1 1969	May 1 1970	Jan. 1 1971	Sept. 1 1971
15¢	15¢	15¢	15¢	15¢

for a total of 75 cents an hour for a three-year contract commencing January 1, 1969.

- (b) That the request for a tool allowance of \$5 per month be denied.
- (c) That no change be made in the off-shift premium.
- (d) Provide to drivers, in addition to the present clothing allowance, two additional shirts per year.

### 2. Statutory Holidays

That the present programme remain unchanged.

### 3. Welfare Plan

That the company's obligation to contribute to the Welfare Plan be increased from \$15 to \$18 per employee per month whatever coverage is provided.

### 4. Vacations with Pay

That the present Vacation-with-Pay Programme be continued but that the qualifying period for three weeks' vacation be reduced from ten to eight years.

The undersigned further recommend:

- (a) That all matters negotiated and agreed to at any stage of bargaining be reflected in the new collective agreement.
- (b) That the change requested in hours for regular drivers on pick-up from letter boxes on city streets be refused.

The foregoing recommendations are made for a complete settlement of the dispute.

As mentioned above, these are the recommendations of the signatories to this report.

Toronto, July 21, 1969

(Sgd.) J.B. Metzler  
Chairman

(Sgd.) D. Churchill-Smith  
Member

Report  
of  
William Walsh

I have had the opportunity to consider the further report of the Chairman of the Board of Conciliation. I vigorously disagree with the recommendations of the Chairman in almost all respects.

My own recommendations to the parties is that they negotiate a renewed agreement with the following changes, in addition to those already agreed to:

### Wages

- a) That there be a general increase to all rates and all employees of \$1.05 an hour which is required to restore the traditional relationship of their rates with those of their fellow unionists in the trucking transportation field.

That at least 25¢ of such increase be made effective as of Jan. 1, 1969. And that all other instalments required to raise the rates by the \$1.05 be instituted in such periods so that the final instalment be effective no later than Jan. 1, 1971.

- b) That the employees in the mechanical department be given a flat amount of \$50 in lieu of a monthly tool allowance.
- c) That shift premiums be established at 10¢ and 15¢ for the afternoon and night shifts respectively.
- d) That in addition to the two proffered shirts, the drivers be provided with two additional pairs of trousers per year.

### Statutory Holidays

That November 11th be added as a paid holiday.

### Welfare Plan

- a) That the employer's contribution to the Central Conference of Teamsters Welfare Plan be increased to \$25 per month.
- b) That the employer absorb the cost of the Medicare plan projected by Ontario legislation to commence in October 1969, and continue to do so as such cost may fluctuate during the life of the agreement. The employer will be entitled to deduct from its \$25 monthly contribution the portions of the Central Conference of Teamsters Welfare Fund which is duplicated by the coverage provided by the above-noted legislated Medicare plan.



### Vacation with Pay

That paid vacations be extended to three weeks after eight years and four weeks after twelve years.

### Hours of Work

The employees have had a long-standing demand for changes in hours of work, but have been frustrated, they have been told, by the requirements of schedules insisted upon by Post Office authorities.

Such Post Office schedules may not continue throughout the life of the Agreement which it is hoped the parties will reach as a result of their negotiations of the present dispute. It is public knowledge that Post Office operations have been undergoing considerable change. These may well

be further changed so as to make possible changes in hours of work along the lines demanded by the employees and the Union in this dispute.

It is my recommendation that the signing of an Agreement should include provision for effective negotiations whenever such changes are practical as a result of such changes in Post Office requirements.

Hamilton, July 14, 1969.

(Sgd.) William Walsh  
Member

### Report of Board of Conciliation and Investigation established to deal with dispute between

Baton Broadcasting Limited – CFTO-TV

and

National Association of Broadcast Employees and Technicians

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The Board of Conciliation and Investigation was under the Chairmanship of Thomas C. O'Connor of Toronto. He was appointed by the Minister of Labour on the joint recommendation of the other two members of the Board, J.W. Healy, Q.C., and Boris Mather, both of Toronto, who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister during July.

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The Board met the parties at Toronto, on June 6, 12 and 24, 1969.

The Board regrets to report that the parties were unable to reach an agreement during the hearings of the Board of Conciliation. The conciliation officer, H.A. Fisher, stated in his report to the Minister of Labour the following:

“Taking into consideration the wage package offered by the Company, that will exceed the comparable rate paid to employees of the C.B.C. commencing in April 1, 1971, and the request by the Company for the flexibility regarding the part time and temporary employees that is found in most all agreements between other television stations and NABET, it is my opinion that a Board would serve no useful purpose and so recommend.”

I confirm the findings of the conciliation officer that the general wage adjustments offered by the company are fair and reasonable and that their request for flexibility regarding part time and temporary employees is found in all agreements and should be acceptable to the members of the bargaining unit.

Actually, during the hearings of the Board of Conciliation the union bargaining committee agreed to the company proposals regarding part time and temporary employees, provided a two-year collective agreement was negotiated.

As Chairman of the Board of Conciliation, I would recommend that a 36-month collective agreement be negotiated, effective January 1, 1969, and that the company's wage proposals and the effective dates for the annual ad-

justments be accepted as a basis for a renewal of the collective agreement.

Toronto, July 4, 1969.

(Sgd.) Thomas C. O'Connor  
Chairman

(Sgd.) J.W. Healy  
Member

Addendum  
by  
J.W. Healy

I concur with the report of the Chairman herein and wish only to add the further comment that the offer of the company was very heavily weighted during the early part of the contract period made conditional on the offer – approximately 39½ months. If the parties are now to negotiate on the basis of a 36-month collective agreement it would be my recommendation that a reduction be made in the application of the wage increases during the first year.

Toronto, July 7, 1969.

(Sgd.) J.W. Healy  
Member

## MINORITY REPORT

I regret that I cannot join my colleagues on the Conciliation Board in their majority report. I cannot agree with their recommendations for solving this dispute nor can I agree with certain statements made by the Chairman in the report.

The Chairman quoted from the report of conciliation officer H. A. Fisher thus making this report public, so I feel free to comment on that report. Mr. Fisher is not quite correct in stating that the company offer will result in a higher wage being paid to certain occupations in this unit than will be paid at CBC in April 1, 1971. It would be correct to state that the offer would result in a lower rate at CFTO than at the CBC from July 1, 1969 to May 1, 1971. Mr. Fisher (as quoted by the Chairman) goes on to say that the flexibility requested by the company is found in "most all" agreements between other television stations and NABET. This is just not so. Many NABET agreements permit the use of part-time and temporary employees with various restrictions. Some have no such provision at all. Very few have a clause with no restrictions. The Chairman, too, states that "their request for flexibility regarding part-time and temporary employees is found in all agreements." That is not true.

The Chairman has said that he confirms the findings of the conciliation officer that the general wage adjustments offered by the company are "fair and reasonable". The officer did not say that. However, that could be interpreted as the meaning of his report. Mr. Fisher will diminish his effectiveness as a conciliator if his reports are that partial.

I strongly object to the Chairman's statement that the company's offer "should be acceptable to the members of the bargaining unit." That is nothing but a gratuitous insult to the union negotiating committee. Perhaps the Chairman has the gift of prophecy or perhaps he has some mystical insight unavailable to me but the evidence at the Board indicated that the offer was not acceptable to the members of the unit.

The majority report stating what the union indicated they would accept during the Board hearings is inaccurate and incomplete, although it is true that the union committee made an attempt to compromise on the items — an attempt which was not matched by the company representatives.

The items in dispute are three: the size of wage increases and their effective dates, the length of the agreement, and the use of part-time and temporary employees. These items are closely connected. If the company is to have the desired flexibility in their operations by using part-time and temporary employees then the union should have some safeguards. A shorter term than the company's proposed 40 months would be needed as a test period for such a drastic change in working practices. A shorter contract would require a wage increase on the anniversary date rather than later in the year.

Therefore I would recommend that the following revisions be made in the renewal of the collective agreement:

- (a) A renewal of the collective agreement for two years from January 10, 1969 to January 9, 1971.
- (b) First increase effective January 10, 1969 using the rates suggested by the company with some adjustments at the 1 year, 2 year and 3 year steps of

Group 2 and Group 3 to eliminate inequities to give the following scale.

GROUP 1: Start, \$93.40, 1 Year, \$100; 2 Years, \$106.80. GROUP 2: Start, \$114; 1 Years \$122; 2 Years, \$130; 3 Years, \$137; 4 Years, \$145; 5 Years, \$156; 6 Years; \$157. GROUP 3: Start, \$120; 1 Year, \$128; 2 Years, \$136; 3 Years, \$145.20; 4 Years, \$156; 5 Years, \$167.20; 6 Years, \$172.80. GROUP 4: Start, \$158; 1 Year, \$165.60; 2 Years, \$173.20; 3 Years, \$181.20. GROUP 5: Start, \$170; 1 Year, \$177.60; 2 Years, \$185.20; 3 Years, \$192.80.

- (c) The second increase effective January 10, 1970 (using the increases suggested by the company to be effective May 1, 1970) to give the following scale:

GROUP 1: Start, \$98; 1 Year, \$104.40; 2 Years, \$111.40. GROUP 2: Start, \$120; 1 Year, \$128; 2 Years, \$137; 3 Years, \$146; 4 Years, \$154.80; 5 Years, \$166; 6 Years, \$177.60. GROUP 3: Start, \$126.60; 1 Year \$133.20; 2 Years, \$144; 3 Years, \$154.80; 4 Years, \$166; 5 Years, \$177.60; 6 Years, \$183.20. GROUP 4: Start, \$166.40; 1 Year, \$175.20; 2 Years, \$183.20; 3 Years, \$191.20. GROUP 5: Start, \$177.60; 1 Year, \$185.20; 2 Years, \$193.60; 3 Years, \$202.80.

- (d) Amend the collective agreement to allow for part-time and temporary employees. I would suggest wording similar to that below:

### Article 2.1

(Add) All employees shall be considered full-time employees except for the following:

- 2.1.1 Temporary employee — one hired for a limited time. Only the following articles of this agreement and provisions listed herein will apply to temporary employees:
  - (1) Article 7 — Excessive Hours and Safety
  - (2) Article 8 — Overtime Computation
  - (3) Article 11 — Meal Periods
  - (4) Article 12 — Break Periods
  - (5) Article 19 — Night Differential
  - (6) Article 20.1 ) — Holidays and Holiday Article 20.11) — Pay
  - (7) Article 40 — Travelling Expenses
  - (8) Article 41 — Travelling Conditions
  - (9) Article 42 — Travelling — Waiver of Time Credits
  - (10) Article 43 — Definition of Location and Location Expenses
  - (11) Article 54 — Duration of Agreement
- 2.2.1 The company agrees to hire temporary employees through Union office whenever possible. The NABET Freelance Code would apply.
- 2.1.3 (a) A part-time employee is one hired to work on a limited shift and for less than 40



hours per week. Such employees shall be paid on an hourly basis at a rate equal to 1/40th of the wage classification to which the employee is assigned.

2.1.3 (b) A part-time employee shall be required to pay union dues.

2.1.3 (c) The number of part-time employees shall not exceed 10 per cent of the number of full-time staff at any one time.

#### Article 2.2

The company agrees that it will not hire part-time and temporary employees for the purpose of eliminating or displacing regular or full-time employees or to avoid hiring regular or full-time employees nor will the company hire temporary employees to eliminate the payment of overtime except to the extent of

limitation imposed by the Canada Labour Standards Code.

#### Article 31

Modify first sentence to read — "All employees covered by this Agreement except those employees set out in Article 2.1.1 and 2.2.2 shall be considered full-time employees of the company."

(e) All items previously agreed, to go into effect on the signing of the memorandum of agreement.

Toronto, July 16, 1969.

(Sgd.) Boris Mather  
Member

#### Reasons for Judgment in Applications for certification affecting

Labourers' International Union of North America (Applicant No. One)

United Steelworkers of America (Applicant No. Two)

and

Agnew Lake Mines Limited (Respondent)

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The Board consisted of A. H. Brown, Chairman, E. R. Complin, J. A. D'Aoust, A. J. Hills, and Gerard Picard, Members. The Judgment of the Board was delivered by the Chairman.

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1. These are two counter applications for certification of the Applicant therein, each being a trade union, as bargaining agent for substantially the same unit of employees of the Respondent therein, namely a unit of employees employed by the Respondent in the development and operation of a uranium mine at the Respondent's mine site in Hyman Township in the Province of Ontario, excluding office and clerical employees and foremen and those above the rank of foremen and employees employed in a confidential capacity in matters relating to labour relations. Application No. One was dated March 24, 1969, and Application No. Two was dated April 3, 1969.

2. The classifications of employees of the respondent appearing on the respondent's payrolls as at the dates of the applications and comprising the proposed bargaining units were those of trades leader, hoistman (with compressor papers), tradesman-group 1-"A", tradesman-group 1-"B", tradesman-group 2-"A", heavy equipment operator "A", journeyman helper-group "1", general labour, light truck driver, dryman, general miner, and skiptender, excluding the classifications of manager, secretary, engineering supervisor, layout engineer, surveyor, mine accountant, chief warehouseman, paymaster, clerk-typist, surface foreman, mechanical foreman, electrical foreman, mine captain, and shift boss.

Based upon the report of the Board's Investigating Officer following upon his check of the payroll records of the Respondent and the membership and attendant records

of each of Applicant No. One and Applicant No. Two, the Board finds that at the date of application No. One there were 24 employees in the proposed bargaining unit of whom 15 were claimed by Applicant No. One to be members in good standing of the said Applicant, and finds that at the date of application No. Two there were 31 employees in the proposed bargaining unit of whom 18 were claimed by Applicant No. Two to be members in good standing of the said Applicant.

3. The Respondent submits that both applications are premature as its uranium mining operation is still in the process of underground development; no ore has as yet been taken out of the mine, and the mill which the Respondent has decided to build at the mining site to process the mined ore into the form of uranium concentrate for marketing purposes, is not in operation as yet. The Respondent's evidence is that the 12 classifications of employees in the proposed bargaining unit on the payroll at the time of the making of the applications constitute only some 30 per cent of the number of classifications of employees who will be employed and who would be covered in the proposed bargaining unit when the mine comes into full production and the build-up of employees is completed. Based upon its presently planned production and its progress estimates, the Respondent anticipates that the build-up of employees in the proposed bargaining unit will result in an increase to 100 by the end of 1969, to 200 by the end of 1970, and to a minimum of 400 at full production by the end of 1971.

The Respondent submits that any application for determination of the wishes of the employees in the proposed unit as to their choice of a bargaining agent would be premature until the build-up has reached at least roughly 50 per cent of the ultimate build-up total. It considers this percentage would constitute a representative group of employees for such purpose. The Respondent made representations also in relation to an appropriate description of the proposed bargaining unit in the event the applications are further processed at this time. Counsel for Applicant No. One submits that in view of the uncertainties of the future build-up in the Respondent's mining development and production operation, there is no reason why at least the employees in the categories now employed should be denied bargaining rights at this time. Counsel for Applicant No. Two concurs in this view.

Counsel for Applicant No. Two and Counsel for the Respondent cited also for the Board's consideration the practice followed by the Ontario Labour Relations Board in dealing with applications for certification in the mining industry in Ontario of tying the certification granted to the currently appropriate stage of mining operation then being carried on at the mining site designated as either the construction, development, or production stage as an alternate to a deferral of certification pending further anticipated build-up (see O.L.R.B. judgment in *International Union of Mine, Mill & Smelter Workers (Canada), vs. Surlaga Gold Mines Ltd.* dated July 13, 1967, for an outline of this policy).

4. The Board is of opinion that, in the circumstances involved herein, the interests of the employees affected and of all parties to the two applications will best be served by proceeding to the disposition thereof at this time as hereinafter provided.

The Board finds appropriate for collective bargaining for the purposes of and in the case of each of Application No. One and Application No. Two a unit of employees of the Respondent employed in the development stage of the Respondent's uranium mining operations in Hyman Township in the Province of Ontario, excluding office staff, warehouse and mine clerical staff, employees in the engineering and geology departments, chief assayer, chief sampler, process analysts, technicians, security guards, students employed during and for the summer vacation period, shift bosses, foremen, and persons above the ranks of foreman or shift boss, and other persons exercising management functions or employed in a confidential capacity in matters relating to labour relations.

The Board's view is that for the purposes of these applications the mining operation will have moved into the production stage of operation at such time as the ore ceases to be stockpiled and the Respondent's ore milling operation gets underway or the ore is shipped elsewhere.

5. Evidence was adduced at the hearing before the Board by Applicant No. Two in support of its intervention in op-

position to Application No. One, alleging that several employees of the Respondent in the proposed bargaining unit claimed by Applicant No. One as members in good standing had not paid membership fees in support of their membership applications in the amount stipulated by the regulations of this Board as acceptable evidence of membership in good standing for the purposes of the Board. Evidence on this issue contradictory to the foregoing was adduced by Applicant No. One.

The Board was advised that a prior application made by Applicant No. One to the Ontario Labour Relations Board for certification as bargaining agent for the same proposed bargaining unit of employees of the Respondent on March 21, 1969, was rejected for lack of jurisdiction by that Board on April 2, 1969, and that a counter application made by Applicant No. Two to the same Board for substantially the same unit of employees had been rejected by the Ontario Labour Relations Board on the same grounds on the same date April 2, 1969.

It is apparent from the evidence that the employees involved in the intervention referred to above who were canvassed for membership on behalf of Application No. One at their residences on the Spanish River Indian Reserve were subjected to substantial pressures in the course of the multiple organizational and counter organizational activities carried on by the two Applicants in support of the two series of counter applications for certification affecting them. It is not surprising therefore that their evidence at the hearing before this Board contained some elements of vagueness and uncertainty and some inconsistencies as to the events which transpired in the course thereof. The counter evidence adduced on behalf of Applicant No. One by the persons who participated in the signing up of these employees as members had a greater measure of consistency as might be expected in the circumstances.

Although this latter evidence was questionable in some respects, the Board has concluded that it should not be rejected out of hand.

6. The Board concluded in the circumstances that a vote by secret ballot should be taken of the employees of the Respondent in the unit which the Board has found to be appropriate for collective bargaining as hereinbefore described, with the names of both Applicant No. One and Applicant No. Two on the ballot in order to determine the wishes of the employees as to the selection of a bargaining agent on their behalf and so orders.

Ottawa, July 31, 1969.

(Sgd.) A.H. Brown  
Chairman  
for the Board



Reasons for Judgment in Application for certification affecting

Canadian Marine Officers' Union (Applicant)

and

Agence Maritime Inc., (Respondent)

The Board consisted of J. J. Quinlan, Q.C., Vice-Chairman and Acting Chairman, and E. R. Complin, J. A. D'Aoust, J. Guilbault, A. J. Hills and Gerard Picard, Members. The Judgment of the Board was delivered by the Vice-Chairman and Acting Chairman.

The Applicant, a trade union, under date of May 15, 1968, applies to be certified as bargaining agent for a unit of employees of the Respondent comprised of employees in the classification of licensed engineers employed on the following vessels: M.V. Fort Lauzon, M.V. Fort Ramezay, M.V. Inland and M.V. Polaris Explorer.

The vessels M.V. Fort Lauzon and M.V. Fort Ramezay are owned by the Respondent. The vessel M.V. Inland is owned by an unrelated company not a party to these proceedings with which the Respondent has had a contract since May 1968. This contract which was still in effect at the date of the taking of evidence, June 10, 1969, is terminable on 30 days' notice. The terms of the contract provide for operation of the vessel by the Respondent under what is known as a bare boat charter by virtue of which the Respondent is responsible for equipping the vessel and hiring the personnel for operations. Since entering into the contract, the Respondent has hired and paid the personnel.

At the date of the application the M.V. Polaris Explorer was not owned by the Respondent but was chartered by it from an unrelated company not a party to these proceedings under a contract entered into in or about April of 1968 for a period of 8 months and 3 weeks. As in the case of the M.V. Inland, this was a bare boat charter and up to December 1968 the Respondent hired and paid the personnel on the vessel. Since the beginning of April 1969 the Respondent has been operating the vessel for the transportation of merchandise and goods out of Montreal without a contract. The vessel, since December 1968, has been sold to another unrelated company not a party to these proceedings. In his evidence, J.-P. Simard, Vice-President of the Respondent, stated that no agreement has yet been reached between the Respondent and the company regarding payment for use of the vessel, nothing has been paid, nor is there any arrangement as to payment for this period in the event they are unable to come to an agreement. He also stated that during this period the Respondent has paid for supplying the vessel but in so doing has acted as agent for the owning company and charged such expenditures to it. It has not paid the salaries or wages of the personnel on the vessel.

The Board finds upon a report of its investigating officer, based upon his check of the payroll records of the Respondent and the membership records of the Applicant, that there were 12 employees in the proposed bargaining unit at the date of the application of whom 11 were members in good standing of the Applicant.

The Respondent is a shipping company with its head office at Quebec City. It is engaged in the general transportation of goods by ship and has regional offices and port facilities in Montreal, Quebec City, Baie Comeau, Sept-Iles and Ste. Anne des Monts, all in the Province of

Quebec. In addition to the foregoing vessels, it also owns and operates the vessel M.V. Fort Prevel. The Applicant, however, does not claim to represent engineers on board this vessel, stating that they are not licensed and therefore it considers that it does not have jurisdiction to represent them.

The Respondent contests the application on grounds which may be summarized as follows:

- (1) The provisions of the Industrial Relations and Disputes Investigation Act do not apply to the employees in this unit or the Respondent as its shipping operations are confined to the territorial limits of the Province of Quebec, that any trips made to points outside the Province were exceptional, being special trips, and therefore such operations were a local undertaking within the Province.
- (2) Two of the vessels whose employees were the subject of the application were not owned but chartered and Applicant should not be certified in respect of employees on the vessels or, in the alternative, if any certification is granted, it should be in the name of employees of the owner of a vessel, not the charterer.
- (3) The Applicant lacks a majority of the employees in the proposed bargaining unit. This apparently relates to an agreement between the Respondent and Local 15405 of District 50, U.M.W.A. effective from May 13, 1966, until May 13, 1968, which was automatically renewable subject to the usual notice, covering the licensed personnel (including engineers) of the Respondent. Prima facie the foregoing does not constitute any bar to the present application. However, notice of the application was given to the Regional Director of District 40 U.M.W.A. but no reply was received.

According to the evidence of Mr. Simard, the main services supplied by the Respondent are from Montreal to Quebec and Baie Comeau and Sept-Iles on the north shore of the St. Lawrence River and from Montreal to Quebec to Cap Chat and up to Riviere-aux-Renards on the south shore of the St. Lawrence, all in the Province of Quebec. Dealing with each of the vessels owned or operated by the Respondent, he stated that the Fort Lauzon and Fort Ramezay each make about one trip each week between Montreal and the north shore of the St. Lawrence; that the Fort Prevel makes roughly three trips a month between April 15 and November from Montreal to Quebec and ports located on the south shore of the St. Lawrence; that the Inland in the summer season, April 15 to November 30 makes one trip a week from Montreal to Baie Comeau or Sept-Iles and during the remainder of the year one trip every ten days from Quebec to Baie Comeau and Sept-Iles; and that the Polaris

Explorer during the period in 1968 and 1969 when operated by the Respondent was in service between Montreal and Quebec up to Baie Comeau and Sept-Iles for about one trip a week.

Apart from the foregoing the vessels make trips to points outside Quebec. There was evidence of the following such trips in 1968:

- (1) In April-May 1968 from Montreal to Sept-Iles, Quebec to Stephenville and Grand Banks, Newfoundland carrying construction material for a project at the Newfoundland locations.
- (2) In August 1968 from Montreal to Baker Lake, Northwest Territories carrying general merchandise for the Department of Transport. This cargo was obtained by virtue of a tender submitted by the Respondent to the Department of Transport in the Spring of 1968. On the return trip the cargo consisted of empty barrels carried for the Department.
- (3) In September 1968 from Montreal to Quebec City to Port Burwell, Northwest Territories to Fort Chimo, Quebec, to Churchill, Manitoba and Baker Lake, Northwest Territories. Part of the cargo consisted of construction material for the Department of Transport obtained by virtue of a tender and the remainder was cargo for a private contractor also obtained by virtue of a tender and general merchandise. Some cargo was unloaded at Port Burwell and Fort Chimo but no additional cargo was loaded; at Churchill no cargo was unloaded but general goods were loaded for Hudson Bay Company this cargo being obtained by virtue of a tender. The latter goods were unloaded at Baker Lake, Northwest Territories, as well as the construction materials for the Department of Transport. The evidence did not disclose what cargo if any was transported back to Montreal.
- (4) In October 1968 a trip from Quebec City to Newark, New Jersey, U.S.A. where cement was loaded. The vessel then proceeded to Sept-Iles where the cargo was unloaded. The contract was obtained by virtue of a tender submitted a few days before the trip was undertaken.

In addition to the foregoing, evidence was given of a tender by the Respondent for the transportation of cargo to or from Frobisher Bay in 1969 which would have involved about six trips and a tender to transport a number of tons of cargo to Cape Dorset on Baffin Island in 1969, neither of which was awarded to the Respondent. Evidence was also given of two other tenders in 1969 for transportation of cargoes, one of which at least was to point outside the Province of Quebec.

That the Respondent holds itself out to the public as soliciting and being available for the transport of cargo beyond the Province of Quebec is also shown by advertising material issued by the Respondent as a postcard which states:

MARITIME AGENCY INC.  
P.O. Box 156 Station B,  
Quebec 2, 692-1711

Fleet of modern ships serving ports of the St. Lawrence River, Great Lakes and Atlantic Coast com-

prising polar ships for ice navigation on the St. Lawrence and in the Arctic.

The following oral evidence of Mr. Simard was to the same effect:

"Q. Do you have other agreements for the transport of merchandise or goods in the Arctic?

A. Unfortunately, no.

Q. You say unfortunately, because you would like to have some?

A. Yes.

.....

Q. Did you submit other tenders for private companies, or to someone in the government for the transport of cargo outside the limits of the Province of Quebec?

A. Yes.

.....

Q. When did you tender?

A. We submit tenders almost every day.

Q. Every day?

A. Yes, we tender every day, every week, to transport various articles.

BY THE CHAIRMAN

Q. And that is for ports outside the Province of Quebec?

A. Yes."

While the statement that such tenders are made every day or every week is undoubtedly an exaggeration it is indicative not only of the fact that in the ordinary course of business the Respondent consistently endeavored to obtain transportation of cargo to points outside the Province of Quebec but of its ability to supply such service.

In addition, the evidence shows that at least four of the vessels, of which two are owned and operated by the Respondent, held Home Trade certificates during 1968. The Canada Shipping Act, RSC 1952, c. 29 provides in section 2 (37) that "'home-trade ships' are ships engaged in home-trade voyages"; and in section 2 (42) that "'inland waters ship' means a ship employed on an inland voyage". An Act to Amend the Canada Shipping Act, SC 1960-61, c. 32, S.1, provides the following definitions of home-trade voyages and inland waters of Canada:—

"(38) 'home-trade voyage' means a voyage not being an inland or minor waters voyage between places within the area following, namely, Canada, the United States of America other than Hawaii, St. Pierre and Miquelon, the West Indies, Mexico, Central America and the northeast coast of South America, in the course of which a ship does not go south of the sixth parallel of north latitude;'

"(41) 'inland waters of Canada' means all the rivers, lakes and other navigable fresh waters within Canada, and includes the River St. Lawrence as far seaward as a straight line drawn:

(a) from Cap des Rosiers to West Point Anticosti Island, and



(b) from Anticosti Island to the north shore of the River St. Lawrence along the meridian of longitude sixty-three degrees west.”

In his evidence, Mr. Simard stated that in 1968 the Respondent transported around 200,000 tons in vessels owned or operated by it and tonnage shipped or loaded outside the Province of Quebec was approximately 4000 tons. These figures were of course only approximate and, as Counsel for the Applicant pointed out, were not corroborated by production of the books of the Respondent. In any event percentage of extra-provincial and intra-provincial business is not decisive in determining the question before the Board but rather the Respondent's operations as a whole must be considered in determining whether this is a matter coming within the purview of the Industrial Relations and Disputes Investigation Act. (Re Tank Truck Transport Ltd. (1960) 25 D.L.R. (2d) 161; Regina v. Cooksville Magistrates Court, Ex Parte Liquid Cargo Lines Ltd. (1965) 46 D.L.R. (2d) 700).

In the present case while the Respondent's trips to points outside the Province of Quebec were not at fixed or regularly scheduled times, the facts here in the view of the Board make it clear that service outside the Province is consistently available from the Respondent to shippers or prospective shippers whenever application is made for such service and the Respondent is clearly ready to transport cargo outside provincial limits whenever it can be obtained.

In an application by the Seafarers' International Union of Canada for certification as bargaining agent for a unit of employees of the Respondent comprised of all unlicensed personnel employed on board the ships of the Respondent (International Union of District 50, United Mineworkers of America - Intervener), the Board in its reasons for judgment delivered on November 2, 1966 found that the employees were employed upon or in connection with an undertaking or business to which the provisions of Part I of the Industrial Relations and Disputes Investigation Act apply, that the proposed unit was appropriate and directed a vote by secret ballot. The Respondent however instituted proceedings in the Quebec Superior Court to prohibit the Board from proceeding with the vote, its basic allegation being the Board's lack of jurisdiction. Arising out of these proceedings the Board was ordered to suspend all procedures pertaining to the vote until final judgment by the Court. On appeal to the Quebec Court of Appeal the decision was reversed by the majority of the Court on the ground that the Superior Court has no superintending and reforming power on the procedures or decisions of the Board. An appeal was taken to the Supreme Court of Canada.

Hearings in the present case were set down for February 24, 1969. Prior to this the Respondent gave the Board notice of an application in the Supreme Court of Ontario to prohibit the Board from proceeding with this matter on the ground that the Board had no jurisdiction and the Respondent was not subject to the Industrial Relations and Disputes Investigation Act. The Board accordingly postponed the hearings pending the outcome of the application. The application was dismissed on May 8, 1969 as premature but without prejudice to any application the Respondent might bring after the Board had held its hearing. The hearing was accordingly held by the Board on June 10 and July 7, 1969, including argument by Counsel on the latter date.

In the meantime, the Supreme Court of Canada delivered its judgment on the proceedings in the first case on June 26, 1969 allowing the appeal and holding *inter alia* than in

the present state of the record before the Court the trial judge was warranted in authorizing the writ requested postponing the procedures pertaining to the holding of the vote ordered by the Board. Mr. Justice G. Fauteux in delivering the judgment of the Court (unofficial translation) set out the facts upon which the decision was based as follows:

“With respect to the facts which we must take into consideration at this preliminary stage of the application for evocation, we must conclude that the maritime operations of the appellant are limited to the territory of the Province of Quebec. An attempt was made to cast doubt on this finding of fact on two grounds. Reference was made first of all to three trips made by the ships of the appellant outside the limits of the province and, moreover, representations were made that, travelling on the St. Lawrence River to get from the City of Quebec to that of Gaspé, the ships of the appellant must necessarily go through the frontiers of the inland waters of Canada, according to the definition given of this term in and for the purposes of the Shipping Act, R.S.C. 1952, c. 29, s. 2(41).

“As for the first ground, I would say, like Mr. Justice Choquette of the Court of Appeal, that three trips made exceptionally beyond the limits of the province, that is two in 1964 and one only in 1965, are not sufficient to change the permanent character of the undertaking of the appellant.

.....

“As for the second, based on the Shipping Act, I would say that this ground cannot be raised as it is specifically alleged in the application that, save for the three above-mentioned trips, the ships of the appellant sail within the limits and waters of the Province of Quebec. Moreover, I do not consider that it is going beyond the limits of the province, within the meaning of Section 92(10) of the British North America Act and of Section 53(c) of the Industrial Disputes Act, to leave the interior waters in order to go from one point to another in the same province.

“It is necessary therefore to hold that, on the record as it now stands, the maritime operations of the appellant are intra-provincial operations”.

While the foregoing judgment has been carefully considered by the Board in its decision, with respect, it is not considered as being decisive of the issues herein since this case involves a different group of employees and a matter arising more than two years later in time and the present character of the Respondent's operation must be considered in determining the matter.

Upon consideration of all the facts in evidence, the able arguments advanced by Counsel and jurisprudence cited therein, the Board finds that the employees in the proposed bargaining unit are employed upon an undertaking or business to which Part I of the Industrial Relations and Disputes Investigation Act applies.

The Board finds that a unit of employees of the Respondent employed upon or in connection with the said undertaking comprised of employees in the classification of the following licensed personnel, first engineer, second engineer and third engineer, is appropriate for collective bargaining. The evidence shows that such personnel employed on the vessel M.V. Polaris Explorer since the end of December 1968 have not been employees of the Respondent.

The evidence also shows that of such personnel employed upon the vessels M.V. Fort Lauzon, M.V. Fort Ramezay and the vessel M.V. Inland operated by the Respondent under a bare boat charter the majority are members in good standing of the Applicant. Despite the lapse of 15 months since the date of the application there is no evidence before the Board to indicate that the Applicant does not still have a majority. An Order will therefore issue certifying the Applicant as bargaining agent for the unit of employees of the

Respondent heretofore described who are employed upon vessels owned or operated by the Respondent.

Ottawa, July 31, 1969.

(Sgd.)

J.J. Quinlan  
Vice-Chairman and Acting Chairman  
for the Board









No. 7, 1969

# CONCILIATION BOARD REPORTS together with CLRB REASONS FOR JUDGMENT

**Conciliation Board Reports in disputes between:**

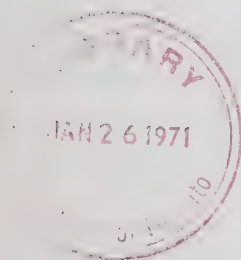
Atomic Energy of Canada Limited, Ottawa, and Ottawa Atomic Workers Union

Atomic Energy of Canada Limited, Sheridan Park, and the Sheridan Park Atomic Energy Draftsmen

Atomic Energy of Canada Limited, Chalk River, and Atomic Energy Allied Council

**Reasons for Judgment in application affecting:**

Robert Dimmer et al (Applicants) and International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America and Richardson Transport Ltd., Calgary.



CANADA DEPARTMENT OF LABOUR

Hon. Bryce Mackasey, Minister

J.D. Love, Deputy Minister





Report of Board of Conciliation and Investigation established to deal with dispute between:

Atomic Energy of Canada Ltd., Ottawa  
and  
Ottawa Atomic Workers Union

The Board was under the Chairmanship of T.C. O'Connor of Toronto. He was appointed by the Minister in the absence of a joint recommendation from the other two members of the Board, C.B.C. Scott of Toronto and Andrew Andras of Ottawa, who were previously appointed on the nomination of the company and union, respectively. The dispute was settled with the assistance of the Board and subsequently ratified by the union membership. The report was received by the Minister of Labour in November.

The Board of Conciliation respectfully recommends the following Terms of Settlement as the final disposition of all items in dispute:

1. All items previously agreed prior to the Board.
2. Term of Agreement  
Effective April 1, 1969; Expiry March 31, 1971.
3. Sickness Supplement  
As attached in Appendix A.
4. Pension Plan  
New Pension Plan as agreed by the Parties.
5. Company Holidays  
Boxing Day to be added as a tenth company holiday.
6. Overtime  
Double time to be paid for all time worked in excess of 10 hours beyond the employees basic scheduled work week (Scheduled hours worked at time and one half on company holidays will not be counted toward the 10-hour minimum).
7. Rates of Pay  
As attached in Appendix B. Retroactivity to 1 April, 1969 applies to both straight and overtime hours of work.
8. Classification Upgrading  
Upgrade 2 employees engaged primarily in grinding duties from Machine Operator B to Machine Operator A. Contamination monitor reclassified to Group 5 effective next pay period.
9. Premium for Scheduled Sunday Shift Work  
Establish premium of 50¢ for each regularly scheduled hour worked on Sundays.
10. Charge Hand Differential  
Charge hands shall be paid the lesser of 30¢ or 8 per cent, a hour more than the rate for his classification.
11. Union Security  
As attached in Appendix C.
12. Vacation  
Three weeks vacation after 5 years of service effective April 1, 1970.

13. Severance Pay on Lay-off  
Attached in Appendix D

14. Shift Differentials  
Increase shift differential as follows:

Stationary Engineers — 10 to 13 cents on evening shift  
— 15 to 17 cents on night shift  
Equipment Production — 13 to 15 cents on afternoon shift  
and Stores

Monetary items 3, 6, 8, 9, 13 and 14 above are effective the beginning of the pay period following date of signing of this document (i.e. no retroactivity).

The parties accept the recommendation of the Board of Conciliation and agree to recommend it to their principals in the final settlement of all issues in dispute. It is further understood that employees who have retired since April 1, 1969 will be subject to provisions of retroactivity. The conditions of this agreement apply to all employees on record as of October 6, 1969.

Toronto, Nov. 17, 1969

(Sgd.) T.C. O'Connor,  
Chairman

Andrew Andras,  
Member

C.B.C. Scott,  
Member

#### APPENDIX A

##### Sickness Supplement

An employee unable to work on his regularly scheduled working day because of illness shall receive 75% of his normal straight time hourly earnings for each day to a maximum of 3 days in each Agreement year, when it is established that he will not otherwise receive compensation for the day concerned, whether by taking vacation leave or from Sickness and Accident Indemnity Plan or any other source. If any of these days are not used in any year they may be carried forward to the following year.

## APPENDIX B

Group	Rate at Mar. 31/69	Rate Effective April 1/69	Rate Effective Nov. 1/69	Rate Effective July 1/1970
1	\$3.65	\$3.89	\$4.02	\$4.15
2	3.55	3.78	3.90	4.03
3	3.32	3.54	3.66	3.78
3(a)	3.14	3.34	3.45	3.56
4	3.08	3.28	3.39	3.50
5	2.87	3.06	3.17	3.27
	2.80	2.99	—	—
6	2.66	2.83	2.93	3.02
6(a)	2.48	2.65	2.75	2.84
7	2.37	2.52	2.62	2.70
8	2.16	2.30	2.39	2.46

## APPENDIX C

### Article 20 — Union Security

#### 20.01 Deductions from Wages

- (a) The Company will deduct from all employees a sum equal to the regular monthly dues of the Union from the second pay only in each month, provided that such deductions will not start until the calendar month following three months from date of hire, and to the extent that sufficient unencumbered earnings are payable to the employee.
- (b) The Company will remit the sum deducted, together with a list of the employees from whom deductions have been made, to the Union Treasurer within fifteen days of the pay date.
- (c) The Union will be responsible for informing the Company of the appropriate sum for each classification subject to this deduction.

- (d) An employee who satisfies the Company to the extent that he declares in an affidavit that he is prevented as a matter of conscience from making financial contributions to an employee organization and that he will make contributions by payroll deduction to a charitable organization equal to the appropriate Union dues shall not be subject to this article 20.01.

- 20.02 Each new employee will be furnished with a copy of the Collective Agreement and informed of the name of his Union Steward and President.

## APPENDIX D

### New Article — Severance Pay on Lay-off

An employee who has one year or more of continuous service and who is laid off shall be paid severance pay at the time of lay-off, as follows:

- (a) In the case of an employee who is laid off for the first time following the signing of this agreement, the amount of severance pay shall be two weeks' pay for the first and one weeks' pay for each succeeding complete year of continuous service, up to a maximum of 28 weeks' pay.
- (b) In the case of an employee who is laid off for a second or subsequent time following the signing of this agreement, the amount of severance pay shall be one weeks' pay for each completed year of continuous service, less any period in respect of which he has already been granted severance pay, up to a maximum of 27 weeks' pay.
- (c) For this purpose, one weeks' pay is defined as the employee's basic hourly rate times 40.

Report of Board of Conciliation and Investigation established to deal with dispute between:

Atomic Energy of Canada Ltd., Sheridan Park,  
and  
Sheridan Park Atomic Energy Draftsmen

The Board was under the Chairmanship of T.C. O'Connor of Toronto. He was appointed by the Minister in the absence of a joint recommendation from the other two members of the Board, C.B.C. Scott and Henry Weisbach, both of Toronto, who were previously appointed on the nomination of the company and union, respectively. The dispute was settled with the assistance of the Board and subsequently ratified by the union membership. The report was received by the Minister of Labour in November.

The Board of Conciliation, respectfully recommends the following Terms of Settlement as the final disposition of all items in dispute:

- (1) All items agreed previous to the Board.
- (2) Term of Agreement  
Effective 1 June, 1969 — Expiry 31 May, 1971.
- (3) Employee Welfare Plans  
As attached in Appendix A.
- (4) Company Holidays  
Boxing Day to be added as a 10th Holiday.

#### (5) Salaries

As attached in Appendix B. Retroactivity to 1 June, 1969, applies to both straight and overtime hours of work.

#### (6) Union Security

As attached in Appendix C.

#### (7) Special Leave

As attached in Appendix D.

#### (8) Death of an Employee

As attached in Appendix E.



(9) Sick Leave  
As attached in Appendix F.

(10) Overtime Meal Allowance  
As attached in Appendix G.

(11) Travelling to and from Outside Assignments  
As attached in Appendix H.

NOTE: The above items: 7, 8, 9, 10 and 11 will become effective on the day following the date of signing of this document, subject to final ratification and acceptance.

The parties accept the recommendation of the Board of Conciliation and agree to recommend it to their principals as the final settlement of all issues in dispute.

Toronto, Nov. 17, 1969

(Sgd.) T.C. O'Connor,  
Chairman

H. Weisbach,  
Member

C.B.C. Scott,  
Member

#### APPENDIX A

##### Article 15 — Employee Welfare Plans

15.01 The company agrees to provide for the duration of this agreement the group life, comprehensive medical and hospital care insurance plans which were in effect at the time of signing of this agreement (or replacement plans as necessary to provide equivalent coverage) and will pay 50% of the premium cost of the comprehensive medical and hospital care plans.

#### APPENDIX B

		Effective June 1/69	Effective June 1/70
PD1	Min.	\$ 3931	\$ 4137
	Max.	\$ 4981	\$ 5257
PD2	Min.	\$ 5266	\$ 5552
	Max.	\$ 6166	\$ 6512
PD3	Min.	\$ 6212	\$ 6553
	Max.	\$ 7412	\$ 7833
PD4	Min.	\$ 7692	\$ 8124
	Max.	\$ 8592	\$ 9084
PD5	Min.	\$ 8863	\$ 9360
	Max.	\$ 9793	\$ 10350
PD6	Min.	\$ 10178	\$ 10755
	Max.	\$ 11178	\$ 11815
PD7	Min.	\$ 11437	\$ 12089
	Max.	\$ 12187	\$ 12884

#### APPENDIX C

23.02 Union Security

(a) The Company will deduct a sum equal to the current regular monthly Union dues from the

monthly salary payment of all employees, providing that such deductions will not start until the calendar month following that in which the employee completed 90 working days of service and to the extent that sufficient unencumbered earnings are payable to the employee.

(b) The Company will, except as noted in (d), remit the sum deducted, together with a list of the employees from whom deductions have been made, to the Union within 15 days.

(c) The Union will be responsible for informing the Company of any change in Union dues.

(d) With respect to an employee who was on strength as at September 15, 1969 and for whom dues were not being deducted on the date of signing of this agreement, Union dues will be deducted beginning with the November 1969 salary payment; provided, however, that any such employee who satisfies the Company to the extent that he declares in an affidavit that he is prevented as a matter of religious conviction from making financial contributions to an employee organization and that he will make contribution by payroll deduction to a charitable organization equal to the Union dues, shall not be subject to (b) above.

#### APPENDIX D

Special Leave (to be described as principal only)

(a) Death in the Family

Special leave not exceeding one day may be granted in the case of death of an employee's grandparent, son-in-law, daughter-in-law, father-in-law, mother-in-law, sister-in-law.

(b) Marriage Leave

Special leave of up to 5 days may be granted to an employee for the purpose of getting married providing he will be continuing employment after marriage.

#### APPENDIX E

Add to Article 17

17.02 Death of an Employee

If an employee who dies has been granted more vacation, sick, or special leave with pay than he has earned, he will be considered to have earned the amount of leave with pay granted to him.

#### APPENDIX F

Add to Article 18.03

18.03 Sick Leave

(c) A sick leave advance of 5 days is credited to each new employee on starting employment.

If an employee whose attendance has been satisfactory, is absent due to certifiable illness or disability and has exhausted his sick leave credits, he will be granted a limited advance of sick leave credits.

## APPENDIX G

Amend Article 22.02 as follows:

### Overtime Meal Allowance

- (a) When an employee is required to carry out more than two hours of overtime work immediately following his normal daily hours he will be paid at the overtime rate and will be provided with an agreed meal allowance and required to take a meal period of 30 minutes, for which he will be paid only if the combined overtime work and meal period exceeds 3½ hours, in which case the meal period will be paid for at the standard overtime rate.

Report of Board of Conciliation and Investigation established to deal with dispute between:

Atomic Energy of Canada Ltd., Chalk River  
and  
Atomic Energy Allied Council

The Board was under the Chairmanship of T.C. O'Connor of Toronto. He was appointed by the Minister in the absence of a joint recommendation from the other two members of the Board, C.B.C. Scott of Toronto and Andrew Andras of Ottawa, who were previously appointed on the nomination of the company and union, respectively. The dispute was settled with the assistance of the Board and subsequently ratified by the union membership. The report was received by the Minister of Labour in November.

The Board of Conciliation respectfully recommends the following Terms of Settlement as the final disposition of all items in dispute:

1. All items previously agreed prior to the Board.
2. Term of Agreement  
Effective April 1, 1969 – Expiry March 31, 1971.
3. Work at outside locations  
As attached in Appendix A.
4. Seniority, Promotion, Layoff, Recall  
As attached in Appendix B.
5. Sickness Supplement  
As attached in Appendix C.
6. Pension Plan  
New Pension Plan as agreed by the parties (see text).
7. Company Holidays  
Boxing Day to be added as a 10th Company Holiday.
8. Medical Examinations  
As attached in Appendix D.
9. Bus Operator Standby Pay  
As attached in Appendix E.
10. Removal of Punch Clocks  
The use of the present time clock system to be discontinued effective 1 April, 1970, for a trial period of one year, with appropriate adjustment of pay procedures.
11. Pre-arranged Overtime  
The minimum payment for pre-arranged overtime to be increased to 3 hours at time and one-half.

## APPENDIX H

Travelling to and from Outside Assignments  
(to be described as our intent)

If an employee is required to travel on a day that is not his day of rest and he has worked on that day, he shall be compensated at his regular rate for one half of any time he is required to spend in travelling outside his normal hours of work, to a maximum of 4 hours pay at regular rates.

### 12. Callouts

The minimum payment for callout to be increased to 3 hours at time and one-half.

### 13. Overtime

Double time to be paid for all time worked in excess of 10 hours beyond the employee's basic scheduled work week (scheduled hours worked at time and one-half on Company holidays will not be counted towards the 10-hour minimum).

### 14. Rates of Pay

As attached in Appendix F. Retroactivity to 1 April, 1969 applies to both straight and overtime hours of work.

### 15. Classification Upgradings

- a) Sign Painter from Group 4 to 3.
- b) Painter from Group 5 to 4.
- c) Hoisting Engineer (Mobile Crane) from Group 5 to 4.
- d) Lagger from Group 5 to 4 and change in name to Heat and Frost Insulator.
- e) Bricklayer from Group 4 to 3.
- f) Contamination Monitor from Group 7 to 6.
- g) New classification of Metal Finishing Operator in Group 7.
- h) New classification of Gardener in Group 8.

### 16. Shift Differentials

Increase in shift differentials from 10¢ to 12¢ per hour for No. 3 shift, and from 15¢ to 18¢ per hour for the No. 1 shift.



17. Premium for Scheduled Sunday Shift Work  
Increase in premium from 40c to 50c for each regularly scheduled hour worked on Sundays.
18. Lead Hand Differential  
As indicated in Appendix F. Rates of Pay.
19. Union Security  
As attached in Appendix G.
20. Vacation  
Three weeks vacation after 5 years of service.
21. New Classification  
Stationary Engineer, Class 2 (R & AC)/Refrigeration Operator A re-established in Group 3.
22. Severance Pay on Lay off  
As attached in Appendix H.

Monetary items 3, 5, 8, 9, 11, 12, 13, 15, 16, 17 & 19 above are effective the beginning of the pay period following date of signing of this document. (ie. no retroactivity).

Toronto, Nov. 17, 1969

(Sgd.) Thomas O'Connor,  
Chairman

Andrew Andras,  
Member

C.B.C. Scott,  
Member

#### APPENDIX A

An employee who is temporarily assigned to work for a minimum of one hour at a non-AECL reactor site such as N.P.D. or Douglas Point will receive a bonus at the rate of one and one half hour's pay at normal rate for eight hours worked at that site (calculated on the basis of the nearest whole hour worked).

#### APPENDIX B

Article 14—Seniority, Promotion, Layoff, Recall and Transfer

##### 14.01 Governing Principles

- (a) Layoffs will be in the reverse order of seniority in the classification concerned provided that senior employees are qualified to perform the remaining work.
- (b) The skill and experience of an employee and his capacity to perform the required task shall be the determining factors in all cases of appointment, promotion, transfer and the advancement of an employee to a higher classification covered by this Agreement, but when these are approximately equal, seniority within the classification will be the deciding factor.

##### 14.02 Seniority

###### (a) Effective Date

An employee shall be on probationary service until he has worked 65 days. On completion of this period he shall be placed on a seniority list and shall then be credited with service since date of hire.

###### (b) Seniority Lists

(i) A seniority list shall be maintained by the Company for each classification or family of classifications. The seniority of an employee shall include his full period of service in his current classification and, if this is in a family of classifications service in any other classification within the family (see Article 14.02 (c) below), at the Chalk River Nuclear Laboratories with the Company or its predecessor, since February 1, 1947. Such service must be unbroken by termination except as provided for in Article 14.04.

(ii) The establishment or revision of seniority dates, for special cases, will be determined by the Company, the Council and the Union concerned.

(iii) The current seniority list will be made available semi-annually, on request, to each union for classifications they represent.

###### (c) Families of Classifications

Families of classifications, as designated in Appendix C, have been established where there is a recognized line of progression between classifications. Also Lead Hands, Class 2 and Class B levels form separate classifications which are included in a family with their basic classification, except as provided for in Article 14.03 (d).

###### (d) Seniority Credits

###### (i) For Apprenticeship or Trainee Service

On entering the classification or family for which he was training, an employee will be credited for seniority purposes with 50%, or two years and six months, whichever is the lesser, of actual CRNL service as an apprentice or trainee to the classification concerned.

###### (ii) For Dual Classifications

On promotion from a dual classification to the higher of the two-classifications concerned, an employee will be credited, for seniority purposes, with 50% of the total time for which he was paid in the higher classification while on dual appointment.

(e) An employee transferred or promoted from one classification or family to another classification or family shall retain in his immediately former classification or family the seniority he had, to a maximum of 5 years, in that former classification or family for a period of time equal to that seniority or 5 years whichever is the lesser.

##### 14.03 Layoff

- (a) No employee on a seniority list will be laid off while a probationary employee is retained in the classification.

(b) Families of Classifications

An employee in a classification which is part of a family and who is designated for layoff in accordance with Article 14.01 (a) will have the alternative of being laid off, or in descending order of classifications displacing an employee with less seniority in a lower wage rated classification within the family provided he is qualified to perform the remaining work.

(c) An employee who is designated for layoff, but who retains seniority in a former classification or family in accordance with Article 14.02 (e), will have the alternative of being laid off or displacing an employee with less seniority in that former classification or in descending order, a lower wage rated classification in the family provided he is qualified to perform the required work.

(d) In the case of layoff a Lead Hand with less than one year's service as a Lead Hand shall be considered to be in his basic classification.

14.04 Recall

(a) When an employee, on a seniority list, is laid off due to lack of work or suspension of operations and does not otherwise voluntarily resign, he shall be retained on a recall list for a period equal to his seniority, but not exceeding 2 years, unless recalled to work within that period.

(b) While on a recall list he will retain his seniority standing and any rights or benefits which he has accrued under the pension plan but will not be considered as an employee for the purpose of this agreement.

(c) A recall list shall be maintained for each classification in which a layoff due to lack of work has occurred in the preceding 2 years and recalls will be made from the list in order of seniority to any job within that classification or to a lower wage rated classification in the family provided he is qualified to perform the work.

(d) Notification of recall will be by registered letter to the last known address of the person concerned. If he does not report for work within 10 working days after recall, without reasonable excuse, he shall be terminated. It is the responsibility of those on recall lists to keep the Personnel Office informed of their current addresses.

14.05 Transfers

The Company agrees to record and acknowledge written requests of employees for transfer to specific jobs.

Appendix: Agree to add "Stationary Engineer Class 2 (R&AC)/Refrigeration Operator A" to family (e).

APPENDIX C

Sickness Supplement

An employee unable to work on his regularly scheduled working day because of illness shall receive 75% of his normal straight time hourly earnings for each day to a maximum of three days in each Agreement year when it is

established that he will not otherwise receive compensation for the day concerned, whether by taking vacation leave or from the Sickness and Accident Indemnity Plan or any other source. If any of these days are not used in any year, they may be carried forward to the following year.

APPENDIX D

If an employee is required by the Company to take a medical examination, such examination will be arranged and paid for by the Company. The employee will be paid at his normal rate for regular working hours missed due to this cause. If necessary, the Company will allow such an employee leave without pay for the purpose of being examined by another doctor, at the employee's expense, should the Union desire a second opinion.

APPENDIX E

Revision:

With the objective of increasing take home pay by increasing the time for which the stand-by rate is paid by one half hour.

Change:

Article 20.04 (a) and 20.04 (b) from "one hour for lunch" to read "one half hour for lunch".

APPENDIX F

			April 1/69	Nov. 1/69	July 1/70
NORMAL	I.A.	INCR.	RATE	INCR.	RATE
1	374	1	23 398	13 411	13 424
2	358	1	22 381	12 393	13 426
3	341	2	21 364	12 376	12 388
4	325	2	20 347	12 359	12 371
5	314	1	19 334	11 345	11 356
6	296	1	18 315	11 326	10 336
7	280	2	17 299	11 310	10 320
8	265	1	16 282	10 292	9 301
9	248	2	15 265	10 275	9 284
10	235	1	14 250	10 260	8 268
S	201	1	12 214	9 223	7 230
M	193	1	12 206	9 215	7 222

LEAD HAND

1	404	429	442	455
2	387	411	424	437
3	368	393	406	419
4	351	375	388	401
5	339	361	373	384
6	320	340	352	363
7	302	323	335	346
8	286	305	315	325
9	268	286	297	307
10	254	270	281	289

APPENDIX G

Article 24 — Union Security

24.01 Deductions from Wages

(a) The Company will deduct a sum equal to the regular monthly dues of the appropriate Union from the



first pay only in each month of all employees, provided that such deductions will not start until the calendar month following three months from date of hire, and to the extent that sufficient unencumbered earnings are payable to the employee.

- (b) The Company will remit the sum deducted, together with a list of the employees from whom deductions have been made, to each of the several Unions within fifteen days of the pay date.
- (c) The Council and Unions will be responsible for informing the Company of the appropriate sum for each classification subject to this deduction, and the Union to which the deduction shall be remitted.
- (d) An employee who satisfies the Company to the extent that he declares in an affidavit that he is prevented as a matter of conscience from making financial contributions to an employee organization and that he will make contributions by payroll deduction to a charitable organization equal to the appropriate Union dues shall not be subject to this article 24.01.

24.02 Information for New Employees  
No change from present agreement.

## APPENDIX H

### New Article — Severance Pay on Lay-off

An employee who has one year or more of continuous service and who is laid off shall be paid severance pay at the time of lay-off, as follows:

- (a) In the case of an employee who is laid off for the first time following the signing of this agreement, the amount of severance pay shall be two weeks' pay for the first and one weeks' pay for each succeeding complete year of continuous service, up to a maximum of 28 weeks' pay.
- (b) In the case of an employee who is laid off for a second or subsequent time following the signing of this agreement, the amount of severance pay shall be one weeks' pay for each completed year of continuous service, less any period in respect of which he has already been granted severance pay, up to a maximum of 27 weeks' pay.
- (c) For this purpose, one weeks' pay is defined as the employee's basic hourly rate times 40.

### Reasons for Judgment in Application for Revocation of Certification affecting

Robert Dimmer, et al,	(Applicants)
and	
Truckers, Cartagemen, Construction and Building Material Employees,	
Local 362 of the International Brotherhood of Teamsters,	
Chauffeurs, Warehousemen and Helpers of America,	(The Union)
and	
Richardson Transport Ltd., of Calgary, Alberta	(the Employer)

The Board consisted of Mr. A.H. Brown, Chairman, and E.R. Complin, J.A. D'Aoust, A.J. Hills, Donald MacDonald and Gérard Picard, Members. The Judgment of the Board was delivered by the Chairman.

1. On July 15, 1969, the Union was certified by this Board as bargaining agent for a unit of employees of the Employer classified as drivers.
2. Under date of September 23, 1969, the Applicants made an application to the Board for revocation of the said order of certification on the ground that the Union does not now represent a majority of the employees in the bargaining unit covered by the order of certification and that the Applicants constitute a majority of the employees in the said unit.
3. The Employer advised the Board that it does not wish to intervene in this application made by the Applicants.
4. The Union opposes the application on the grounds
  - (a) that the application is the direct result of unfair and unlawful practices of the Employer or the agents of the Employer;
  - (b) that the application is not the free and democratic wishes of the employees; and
  - (c) that in any event sufficient time has not elapsed to allow the certified bargaining agent to negotiate and conclude a collective agreement and that accordingly the Board should not grant consent to an application for revocation within the normal time limit as set out in Section 7 (3) of the Industrial Relations and Disputes Investigation Act.
5. According to the information furnished to the Board by the Union by affidavit filed with its reply to the application a notice to commence collective bargaining was served on the Employer by the Union on August 8, 1969. The information secured by the Board from the Conciliation and Arbitration Branch of the Canada Department of Labour is that a departmental conciliation officer appointed to assist the parties to these negotiations to conclude a collective agreement participated in meetings to this end held with the parties on September 12, 30 and October 1, 1969. Following the failure of the parties to reach agreement in these negotiations, a conciliation board was established on October 28, 1969, by the Minister of Labour to endeavour to bring about agreement between the parties in relation to the matters in dispute and is still functioning in this capacity.

6. In the case of Barkwell et al.v. Liquid Cargo Lines Limited and General Truck Drivers Union Local 938, 65 C.L.L.C. paragraph 16023 (Transfer Binder 1964-66), an application for decertification of a bargaining agent, the Reasons for Judgment issued by the Board rejecting the application contained the following statement of Board policy in the application of Section 11 of the Industrial Relations and Disputes Investigation Act to the disposition of applications for decertification "In the Reasons for Judgment given by the Board under date of October 15, 1964, rejecting an application for decertification in the case of Tapp et al and Taggart Service Ltd., and Teamsters Local 91 et al." (reported in 64 C.L.L.C. paragraph 16012), "the Board held that the wording of this section gave the Board a discretion as to granting or refusing decertification and expressed the view that in the exercise of this discretion the Board should not grant an application for decertification until after the expiry of 12 months from the date of certification except in extraordinary circumstances."

7. The Board is of opinion on the basis of the information furnished to it by the parties to the application that the Union has made every reasonable effort to date to discharge its responsibilities to the employees it represents as bargaining agent. The conciliation proceedings

between the parties are still in progress and both the Employer and the Union are subject to the obligations placed upon them by the provisions of the Industrial Relations and Disputes Investigation Act to continue bargaining negotiations with a view to the negotiation of a collective agreement covering the employees in the bargaining unit.

8. In the opinion of the Board the Applicants have not established that there are extraordinary circumstances or in fact any acceptable grounds which would warrant the Board in granting the present application for decertification. In view of this conclusion the Board has not considered it necessary to go into the other grounds put forward by the Union in its Reply opposing the application.

The application is rejected accordingly.

Ottawa, November 19, 1969.

(Sgd.) A.H. Brown  
Chairman  
for the Board





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